

**NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS****1. ACCOUNTING POLICIES****(a) Basis for Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

**(b) Use of Estimates and Judgements**

In preparation of the financial statements, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

**(c) Revenue Recognition**

- (i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.
- (ii) Export incentive under various schemes notified by the Government has been recognised on the basis of amount received.

**(d) Employee Benefits**

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee has rendered services.
- (ii) For defined-benefit plans, the amount recognised in the Balance Sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognised. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yields on government bonds at the Balance Sheet date with remaining terms to maturity approximating those of the Company's obligations.
- (iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yield on Government Bonds, as on the date of Balance Sheet.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Statement of Profit and Loss.
- (v) In respect of the Employee Separation Scheme, the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Statement of Profit and Loss.

**(e) Tangible Assets**

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

Major expenses on relining of furnace are capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

**(f) Intangible Assets**

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

**(g) Depreciation and Amortisation**

- (i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.
- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. However, asset value upto ₹ 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset are as under:
  - (a) Buildings and Roads — 30 to 62 years
  - (b) Plant and Machinery — 3 to 30 years
  - (c) Railway Sidings — 21 years
  - (d) Vehicles and Aircraft — 5 to 18 years
  - (e) Furniture, Fixtures and Office Equipments — 5 years
  - (f) Intangibles (Computer Softwares) — 5 to 10 years
  - (g) Development of property for development of mines and collieries are amortised over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
  - (h) Major furnace relining expenses are depreciated over a period of 10 years (average expected life).

- (i) Freehold land is not depreciated.
  - (j) Leasehold land and other leasehold assets are amortised over the life of the lease.
- (h) Impairment**  
Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.  
An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.
- (i) Foreign Currency Transactions**  
Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.  
The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.  
Exchange differences relating to monetary items that are in substance forming part of the Company's net investment in non-integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.  
Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments.
- (j) Derivative Financial Instruments**
- (i) The Company uses derivative financial instruments such as Forwards, Swaps, Options, etc. to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.
  - (ii) Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard - 11 "The effects of changes in Foreign Rates".
  - (iii) For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value of the derivative financial instruments are recognised in Cash Flow Hedge Reserve and reclassified in the period in which the Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a 'basis adjustment' and recycled to the Statement of Profit and Loss when the respective non-financial asset affects the Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognised in the Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained their until the forecasted transaction occurs.  
If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss.
  - (iv) If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.
- (k) Investments**  
Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value.
- (l) Inventories**  
Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realisable value.  
Work-in-progress is carried at lower of cost and net realisable value.  
Coal, iron ore and other raw materials produced and purchased by the Company are carried at lower of cost and net realisable value.  
Stores and spare parts are carried at cost. Necessary provision is made and expensed in case of identified obsolete and non-moving items.  
Cost of inventories is generally ascertained on the 'weighted average' basis. Work-in-progress and finished and semi-finished products are valued on full absorption cost basis.
- (m) Relining Expenses**  
Relining expenses other than major expenses on furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.
- (n) Research and Development**  
Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.
- (o) Deferred Tax**  
Deferred Tax is accounted for by computing the tax effect of timing differences, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date.

**2. SHARE CAPITAL**

[Item No. 1(a), Page 140]

		₹ crores	
			As at 31.03.2013
<b>Authorised:</b>			
<b>1,75,00,00,000</b>	Ordinary Shares of ₹ 10 each <i>(31.03.2013: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)</i>	<b>1,750.00</b>	1,750.00
<b>35,00,00,000</b>	"A" Ordinary Shares of ₹ 10 each <i>(31.03.2013: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)</i>	<b>350.00</b>	350.00
<b>2,50,00,000</b>	Cumulative Redeemable Preference Shares of ₹ 100 each <i>(31.03.2013: 2,50,00,000 Shares of ₹ 100 each)</i>	<b>250.00</b>	250.00
<b>60,00,00,000</b>	Cumulative Convertible Preference Shares of ₹ 100 each <i>(31.03.2013: 60,00,00,000 Shares of ₹ 100 each)</i>	<b>6,000.00</b>	6,000.00
		<b>8,350.00</b>	8,350.00
<b>Issued:</b>			
<b>97,21,26,020</b>	Ordinary Shares of ₹ 10 each <i>(31.03.2013: 97,21,26,020 Ordinary Shares of ₹ 10 each)</i>	<b>972.13</b>	972.13
<b>Subscribed and Paid up:</b>			
<b>97,12,15,405</b>	Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2013: 97,12,15,229 Ordinary Shares of ₹ 10 each)</i>	<b>971.21</b>	971.21
	Amount paid up on 3,89,516 Ordinary Shares forfeited <i>(31.03.2013: 3,89,516 Shares of ₹ 10 each)</i>	<b>0.20</b>	0.20
		<b>971.41</b>	971.41

Additional information:

(1) The movement in subscribed and paid up share capital is set out below:

	No. of shares	₹ crores	As at 31.03.2013	
			No. of shares	₹ crores
<b>Ordinary Shares of ₹ 10 each</b>				
At beginning of the year	<b>97,12,15,229</b>	<b>971.21</b>	97,12,14,450	971.21
Shares allotted during the year	<b>176<sup>(a)</sup></b>	<b>—</b>	779 <sup>(b)</sup>	—
	<b>97,12,15,405</b>	<b>971.21</b>	97,12,15,229	971.21

(a) 176 Ordinary Shares of face value of ₹ 10 per share allotted on 11th March, 2014 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(b) (i) 73 Ordinary Shares of face value of ₹ 10 per share allotted on 22nd October, 2012 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(ii) 22 Ordinary Shares of face value of ₹ 10 per share allotted on 22nd October, 2012 at a premium of ₹ 590 per share to holders of Cumulative Convertible Preference Shares in the ratio of 6:1 on conversion whose shares were kept in abeyance in the Rights issue made in 2007.

(iii) 684 Ordinary Shares of face value of ₹ 10 per share allotted on 1st March, 2013 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(c) The balance Ordinary Shares kept in abeyance are 3,01,218 (31.03.2013: 3,06,482) in respect of Rights issue of 2007.

(2) Shareholders holding more than 5 percent shares in the Company:

Name of shareholders	No. of Ordinary Shares	%	As at 31.03.2013	
			No. of Ordinary Shares	%
(a) Tata Sons Limited	<b>28,88,98,245</b>	<b>29.75</b>	28,88,98,245	29.75
(b) Life Insurance Corporation of India	<b>14,44,93,458</b>	<b>14.88</b>	14,54,67,247	14.98

- (3) Particulars of securities convertible into Ordinary Shares:  
In November 2009, the Company had issued 5,469.35 numbers of 4.5% Foreign Currency Convertible Bonds (FCCBs) of face value USD 0.1 million each aggregating to USD 546.935 million. These represent **4,28,28,141** (31.03.2013: 4,25,96,510) underlying shares and are convertible at any time on or after 31st December, 2009 and upto 11th November, 2014 by the holders of such FCCBs at a conversion price of ₹ **592.0385** per share (31.03.2013: ₹ 595.2578 per share) and at a fixed USD/ INR conversion rate of 46.36.
- (4) **2,88,75,320** shares (31.03.2013: 2,17,38,923 shares) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 1994 and 2010. Each GDR represents one underlying Ordinary Share.
- (5) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principle rights are as follows:

**A. Ordinary Shares of ₹ 10 each**

- (a) In respect of every Ordinary Share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such Ordinary Share bears to the total paid up Ordinary Capital of the Company.
- (b) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
- (c) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**B. 'A' Ordinary Shares of ₹ 10 each**

- (a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:
- in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.
  - in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares.
- (ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such shares including in relation to any scheme under Sections 391 to 394 of the Act.
- (b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

**C. Preference Shares**

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹ 100 per share.

- (a) Such shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid up or credited as paid up thereon.
- (b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.
- (c) The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956, or any re-enactment thereof.
- (d) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

**3. RESERVES AND SURPLUS**

[Item No. 1(b), Page 140]

		₹ crores
		As at 31.03.2013
(a) Capital Reserve		
Balance as per last account	1.49	1.49
(b) Capital Redemption Reserve		
Balance as per last account	0.83	0.83
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	19.95	—
	<b>20.78</b>	<b>0.83</b>
(c) Securities Premium Reserve		
Balance as per last account	17,838.49	18,877.91
Premium on issue of Ordinary Shares	0.01	0.02
Expenses/reimbursement related to CARS/NCD/GDR/Hybrid Securities/preferential and public issue of equity shares	3.87	(7.99)
Exchange difference on redemption premium of CARS	—	(41.01)
Discount/Premium on non-convertible debenture	—	(990.44)
	<b>17,842.37</b>	<b>17,838.49</b>
(d) Debenture Redemption Reserve		
Balance as per last account	<b>2,046.00</b>	2,046.00
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	(0.17)	—
	<b>0.26</b>	<b>0.43</b>
(f) Export Profits Reserve		
Balance as per last account	<b>1.25</b>	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	<b>14.00</b>	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	54.92	46.26
Received/Capitalised during the year	5.03	8.66
	<b>59.95</b>	<b>54.92</b>
(i) Contingency Reserve		
Balance as per last account	<b>100.00</b>	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	<b>0.04</b>	0.04
(k) Special Reserve		
Balance as per last account	—	—
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	97.75	—
Transfer from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	160.36	—
Transfer to General Reserve	(258.11)	—
	<b>—</b>	<b>—</b>
(l) Cash Flow Hedge Reserve <sup>(1)</sup>		
Balance as per last account	—	—
Fair value changes recognised (net of tax)	(15.84)	—
	<b>(15.84)</b>	<b>—</b>
(m) General Reserve		
Balance as per last account	9,923.00	9,416.70
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	49.94	—
Transfer from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	80.18	—
Transfer from Special Reserve	258.11	—
Transfer from Surplus in Statement of Profit and Loss	641.22	506.30
	<b>10,952.45</b>	<b>9,923.00</b>
Carried Forward	<b>31,022.75</b>	<b>29,980.45</b>

### 3. RESERVES AND SURPLUS (Contd.)

[Item No. 1(b), Page 140]

		₹ crores
		As at 31.03.2013
Brought Forward	<b>31,022.75</b>	29,980.45
(n) Foreign Currency Monetary Item Translation Difference Account <sup>(2)</sup>		
Balance as per last account	(358.35)	(404.90)
Exchange gain/(loss) during the year	(395.24)	(459.62)
Amortisation during the year	476.84	506.17
	<b>(276.75)</b>	<b>(358.35)</b>
(o) Surplus in the Statement of Profit and Loss		
Balance as per last account	24,616.17	21,145.04
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	150.78	-
Profit of Kalimati Investment Company Limited during Jan'13-Mar'13	771.29	-
Adjustment for unrecognised MAT asset in the books of Kalimati Investment Company Limited	222.58	-
Adjustment for unrecognised deferred tax liability in the books of Kalimati Investment Company Limited	(0.10)	-
Proposed dividend (including tax on dividend ₹ 90.39 crores) for 2012-13 of Kalimati Investment Company Limited	(647.56)	-
Transfer to Special Reserve of Kalimati Investment Company Limited during Jan'13-Mar'13	(160.36)	-
Transfer to General Reserve of Kalimati Investment Company Limited during Jan'13-Mar'13	(80.18)	-
Profit for the year	6,412.19	5,062.97
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 90.43 crores (2012-13: ₹ 86.37 crores)]	(175.61)	(179.84)
Proposed dividend on Ordinary Shares	(971.21)	(776.97)
Tax on dividend	(66.19)	(128.73)
Transfer to General Reserve	(641.22)	(506.30)
	<b>29,430.58</b>	<b>24,616.17</b>
	<b>60,176.58</b>	<b>54,238.27</b>

Additional information:

	₹ crores
(1) (a) <b>Opening Balance of Cash Flow Hedge Reserve</b>	-
Add: Effective portion of changes in fair value of cash flow hedges	(26.08)
Less: Amount subsequently adjusted against cost of inventory	2.09
<b>Gross balance of Cash Flow Hedge Reserve</b>	<b>(23.99)</b>
Add: Deferred tax on above	8.15
<b>Net balance of Cash Flow Hedge Reserve</b>	<b>(15.84)</b>
(b) The amount recognised in Cash Flow Hedge Reserve is expected to impact Statement of Profit and Loss within the next one year.	
(c) Ineffective portion taken to Statement of Profit and Loss during the year ₹ 0.21 crore.	
(2) The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items. As on 31st March, 2014, a debit of ₹ 276.75 crores (31.03.2013: ₹ 358.35 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account".	

**4. HYBRID PERPETUAL SECURITIES**

[Item No. 2, Page 140]

	<b>₹ crores</b>	
Hybrid Perpetual Securities	<b>2,275.00</b>	<i>As at</i> 31.03.2013 2,275.00
	<b>2,275.00</b>	<u>2,275.00</u>

*Additional information:*

- (1) The Company had issued Hybrid Perpetual Securities of ₹ 775.00 crores and ₹ 1,500.00 crores in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these securities are 11.50% p.a. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Company if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are not classified as 'debt'.

**5. BORROWINGS**

[Item No. 3(a) and 4(a), Page 140]

	<b>₹ crores</b>					
				<i>As at 31.03.2013</i>		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
<b>A. Secured Borrowings</b>						
(a) Term loan						
(i) Joint Plant Committee – Steel Development Fund <sup>1(a)</sup>	2,125.55	–	2,125.55	2,036.02	–	2,036.02
	2,125.55	–	2,125.55	2,036.02	–	2,036.02
<b>B. Unsecured Borrowings</b>						
(a) Bonds/Debentures <sup>2(a)</sup>						
(i) Non-convertible debentures	11,399.97	–	11,399.97	11,442.87	–	11,442.87
(ii) 4.5% Foreign Currency Convertible Bonds	–	–	–	2,969.04	–	2,969.04
(b) Term loans						
(i) From banks <sup>2(b)</sup>	9,433.57	–	9,433.57	6,268.64	–	6,268.64
(ii) From financial institutions and others <sup>2(c)</sup>	849.00	–	849.00	849.00	–	849.00
(c) Other loans	–	43.69	43.69	–	70.94	70.94
	21,682.54	43.69	21,726.23	21,529.55	70.94	21,600.49
	23,808.09	43.69	23,851.78	23,565.57	70.94	23,636.51

*Additional information:*

- (1) Details of outstanding secured borrowings are as follows:

- (a) Loan from Joint Plant Committee – Steel Development Fund which includes funded interest ₹ 488.32 crores (31.03.2013: ₹ 406.45 crores). It is repayable in 16 equal semi-annual installments after completion of 4 years from the date of receipt of the last tranche.

It is secured by mortgages on, all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated 13th April, 1967 and in favour of Government of Bihar under two deeds of mortgage dated 11th May, 1963, immovable properties and movable assets of the Tube Division, Bearing Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under Deferred Payment schemes/Bill Re-discounting schemes/Asset Credit schemes.

The Company has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is sub-judice.

Loan from the Joint Plant Committee-Steel Development Fund includes ₹ **1,599.73** crores (*31.03.2013: ₹ 1,517.07 crores*) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction is not secured by charge on movable assets of the Company.

(2) Terms of repayment of outstanding unsecured borrowings are as follows:

(a) Bonds/Debentures

- (i) 10.25% p.a. interest bearing 25,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 6th January, 2029.
- (ii) 10.25% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 22nd December, 2028.
- (iii) 2.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at a premium of 85.03% of the face value on 23rd April, 2022.
- (iv) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2021.
- (v) 11.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 19th May, 2019.
- (vi) 10.40% p.a. interest bearing 6,509 debentures of face value ₹ 10,00,000 each are redeemable at par on 15th May, 2019.
- (vii) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2019.
- (viii) 10.20% p.a. interest bearing 6,200 debentures of face value ₹ 10,00,000 each are redeemable at par on 7th May, 2015.
- (ix) 12.50% p.a. interest bearing 12,500 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 19th November, 2014.

(b) Term loans from banks

- (i) USD **200.00** million equivalent to ₹ **1,198.00** crores (*31.03.2013: Nil*) loan is repayable in 3 equal annual installments commencing from 11th March, 2018.
- (ii) Indian rupee loan amounting ₹ **2,000.00** crores (*31.03.2013: Nil*) is repayable in 34 quarterly installments commencing from 31st December, 2016 subject to achievement of financial closure of Kalinganagar project debt within 12 months from the date of first disbursement.
- (iii) USD **335.00** million equivalent to ₹ **2,006.65** crores (*31.03.2013: USD 335 million equivalent to ₹ 1,818.55 crores*) loan is repayable on 10th June, 2015.
- (iv) Indian rupee loan amounting ₹ **1,500.00** crores (*31.03.2013: ₹ 2,000.00 crores*) is repayable in 5 semi-annual installments commencing from 30th April, 2015.
- (v) GBP **100.00** million equivalent to ₹ **998.35** crores (*31.03.2013: GBP 100 million equivalent to ₹ 822.14 crores*) loan is repayable on 4th April, 2015.
- (vi) JPY **1,097.90** million equivalent to ₹ **63.71** crores (*31.03.2013: JPY 4.5 million equivalent to ₹ 0.26 crore*) loan is repayable in 20 equal semi-annual installments commencing from 27th July, 2014.
- (vii) Euro **43.23** million equivalent to ₹ **356.68** crores (*31.03.2013: Euro 48.63 million equivalent to ₹ 338.46 crores*) loan is repayable in 16 equal semi-annual installments; the next installment is due on 6th July, 2014.
- (viii) Euro **23.46** million equivalent to ₹ **193.59** crores (*31.03.2013: Euro 28.16 million equivalent to ₹ 195.95 crores*) loan is repayable in 10 equal semi-annual installments; the next installment is due on 1st July, 2014.
- (ix) USD **19.59** million equivalent to ₹ **117.36** crores (*31.03.2013: USD 19.59 million equivalent to ₹ 106.36 crores*) loan is repayable on 4th June, 2014.
- (x) Euro **3.88** million equivalent to ₹ **32.01** crores (*31.03.2013: Euro 4.85 million equivalent to ₹ 33.75 crores*) loan is repayable in 8 equal semi-annual installments; the next installment is due on 2nd May, 2014.
- (xi) Euro **162.40** million equivalent to ₹ **1,339.89** crores (*31.03.2013: Euro 181.50 million equivalent to ₹ 1,263.15 crores*) loan is repayable in 17 equal semi-annual installments; the next installment is due on 30th April, 2014.

(c) Term loans from financial institutions and others

- (i) Indian rupee loan amounting ₹ **650.00** crores (*31.03.2013: ₹ 650.00 crores*) is repayable on 16th June, 2019.
- (ii) Indian rupee loan amounting ₹ **199.00** crores (*31.03.2013: ₹ 199.00 crores*) is repayable on 30th June, 2016.

**6. DEFERRED TAX LIABILITIES (NET)**

[Item No. 3(b), Page 140]

	₹ crores			
	<i>Deferred tax (asset)/ liability as at 01.04.2013</i>	<b>Adjustment through reserves</b>	<b>Current year charge/ (credit)</b>	<b>Deferred tax (asset)/ liability as at 31.03.2014</b>
<b>Deferred tax liabilities</b>				
(a) Differences in depreciation and amortisation for accounting and income tax purposes	3,383.93	0.10	138.23	3,522.26
(b) Prepaid expenses	64.40	-	18.43	82.83
	<u>3,448.33</u>	<u>0.10</u>	<u>156.66</u>	<u>3,605.09</u>
<b>Deferred tax assets</b>				
(a) Employee separation compensation	(379.31)	-	47.47	(331.84)
(b) Provision for doubtful debts and advances	(62.91)	-	(16.55)	(79.46)
(c) Disallowance under Section 43B of Income Tax Act, 1961	(284.77)	-	(22.76)	(307.53)
(d) Provision for employee benefits	(371.24)	-	(5.45)	(376.69)
(e) Redemption Premium on issue of non-convertible debenture	(392.79)	-	43.35	(349.44)
(f) Discount on issue of non-convertible debenture	(69.29)	-	7.65	(61.64)
(g) Fair value changes of cash flow hedges	-	(8.15)	-	(8.15)
(h) Others	(44.28)	-	(7.08)	(51.36)
	<u>(1,604.59)</u>	<u>(8.15)</u>	<u>46.63</u>	<u>(1,566.11)</u>
	<u>1,843.74</u>	<u>(8.05)</u>	<u>203.29</u>	<u>2,038.98</u>
Net amount charged to Statement of Profit and Loss			<u>203.29</u>	
Deferred tax liabilities (net)	<u>1,843.74</u>			<u>2,038.98</u>

**7. OTHER LONG-TERM LIABILITIES**

[Item No. 3(c), Page 140]

	₹ crores	
		<i>As at 31.03.2013</i>
(a) Creditors for capital supplies/services	983.29	289.78
(b) Others	0.23	91.09
	<u>983.52</u>	<u>380.87</u>

## 8. PROVISIONS

[Item No. 3(d) and 4(d), Page 140]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2013		
				Long-Term	Short-Term	Total
(a) Provision for employee benefits <sup>(1)</sup>	1,450.53	86.22	1,536.75	1,570.74	79.35	1,650.09
(b) Provision for employee separation compensation <sup>(2)</sup>	454.52	142.55	597.07	542.68	155.09	697.77
(c) Provision for taxation <sup>(3)</sup>	–	698.10	698.10	–	528.12	528.12
(d) Provision for fringe benefit tax	–	4.73	4.73	–	4.73	4.73
(e) Proposed dividend	–	971.21	971.21	–	776.97	776.97
	<u>1,905.05</u>	<u>1,902.81</u>	<u>3,807.86</u>	<u>2,113.42</u>	<u>1,544.26</u>	<u>3,657.68</u>

Additional information:

- (1) Includes provision for leave salaries ₹ 575.98 crores (31.03.2013: ₹ 559.93 crores).
- (2) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 24.84 crores (2012-13: ₹ 23.68 crores) in respect of schemes introduced during the year.
- (3) Provision for taxation is after year wise set off against advance payment against taxes.

## 9. TRADE PAYABLES

[Item No. 4(b), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Creditors for supplies/services	6,654.24	5,188.45
(b) Creditors for accrued wages and salaries	1,609.37	1,175.21
	<u>8,263.61</u>	<u>6,363.66</u>

## 10. OTHER CURRENT LIABILITIES

[Item No. 4(c), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Current maturities of long-term borrowings	4,065.48	3,871.28
(b) Interest accrued but not due on borrowings	671.26	586.81
(c) Unpaid dividend	49.20	48.28
(d) Application money received due for refund and interest accrued thereon	0.16	0.16
(e) Unpaid matured deposits and interest accrued thereon	0.14	0.20
(f) Advances received from customers	261.98	322.46
(g) Creditors for capital supplies/services	1,848.16	2,282.58
(h) Creditors for other liabilities <sup>(1)(2)</sup>	1,775.29	1,398.02
	<u>8,671.67</u>	<u>8,509.79</u>

Additional information:

- (1) Includes liability for employee family benefit scheme ₹ 78.27 crores (31.03.2013: ₹ 82.64 crores)
- (2) Includes liability for VAT, Sales tax, Excise duty, etc.

**11. TANGIBLE ASSETS**

[Item No. 5(a)(i), Page 140]

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Buildings <sup>(4)</sup>	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross block as at 01.04.2013	533.10	191.65	2,747.14	0.90	33,541.99	47.69	135.80	227.88	405.62	37,831.77
	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
Additions relating to acquisitions <sup>(1)</sup>	-	-	0.46	-	0.01	-	-	-	-	0.47
	-	-	-	-	-	-	-	-	-	-
Additions during the year <sup>(2)</sup>	26.88	3.12	101.06	-	787.72	2.61	14.80	19.74	47.18	1,003.11
	65.36	-	1,485.08	-	13,187.24	9.08	23.82	40.26	202.30	15,013.14
Deductions during the year <sup>(3)</sup>	-	-	(1.51)	-	(258.94)	(1.12)	(0.97)	(19.39)	-	(281.93)
	(0.05)	-	(0.02)	-	(107.66)	(0.15)	(1.20)	(7.76)	-	(116.84)
Exchange fluctuations capitalised during the year	-	-	-	-	264.98	-	-	-	-	264.98
	-	-	-	-	77.79	-	-	-	-	77.79
Gross block as at 31.03.2014	559.98	194.77	2,847.15	0.90	34,335.76	49.18	149.63	228.23	452.80	38,818.40
	533.10	191.65	2,747.14	0.90	33,541.99	47.69	135.80	227.88	405.62	37,831.77
Impairment as at 01.04.2013	135.96	-	1.25	-	-	-	-	-	-	137.21
	131.95	-	1.25	-	-	-	-	-	-	133.20
Impairment during the year	0.33	-	-	-	-	-	-	-	-	0.33
	4.01	-	-	-	-	-	-	-	-	4.01
Impairment as at 31.03.2014	136.29	-	1.25	-	-	-	-	-	-	137.54
	135.96	-	1.25	-	-	-	-	-	-	137.21
Accumulated depreciation as at 01.04.2013	35.21	15.45	482.96	0.74	12,148.78	43.40	102.12	103.71	111.65	13,044.02
	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
Additions relating to acquisitions	-	-	0.17	-	0.01	-	-	-	-	0.18
	-	-	-	-	-	-	-	-	-	-
Depreciation during the year	5.95	2.19	84.71	0.02	1,630.49	3.14	14.96	19.61	18.93	1,780.00
	5.41	2.18	69.19	0.02	1,433.79	7.24	17.01	17.30	16.66	1,568.80
Depreciation on assets written off during the year <sup>(2)</sup>	-	-	(0.89)	-	(189.27)	(1.11)	(0.96)	(15.54)	-	(207.77)
	(0.03)	-	(0.02)	-	(98.37)	(0.14)	(1.17)	(7.17)	-	(106.90)
Accumulated depreciation as at 31.03.2014	41.16	17.64	566.95	0.76	13,590.01	45.43	116.12	107.78	130.58	14,616.43
	35.21	15.45	482.96	0.74	12,148.78	43.40	102.12	103.71	111.65	13,044.02
Total accumulated depreciation and impairment as at 31.03.2014	177.45	17.64	568.20	0.76	13,590.01	45.43	116.12	107.78	130.58	14,753.97
	171.17	15.45	484.21	0.74	12,148.78	43.40	102.12	103.71	111.65	13,181.23
Net block as at 31.03.2014	382.53	177.13	2,278.95	0.14	20,745.75	3.75	33.51	120.45	322.22	24,064.43
	361.93	176.20	2,262.93	0.16	21,393.21	4.29	33.68	124.17	293.97	24,650.54

**Additional information:**

- (1) Additions relating to acquisitions represents addition on amalgamation of Kalimati Investment Company Limited.
- (2) Additions and depreciation on assets written off during the year include adjustments for inter se transfers.
- (3) Deductions include cost of assets scrapped/surrendered during the year.
- (4) Buildings include ₹ 2.32 crores (31.03.2013: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- (5) Rupee liability has increased by ₹ 264.98 crores (net) (2012-13: ₹ 77.79 crores) arising out of realignment of the value of long-term foreign currency loans and vendor retention liability for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ 15.11 crores (2012-13: ₹ 3.54 crores) arising on account of this adjustment.

## 11. TANGIBLE ASSETS (continued)

[Item No. 5(a)(i), Page 140]

(6) Tangible assets schedule includes the capital cost of in-house research recognised facility as under:

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Buildings	Leasehold Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross block as at 01.04.2013	–	–	0.02	–	47.48	1.92	0.24	0.09	–	49.75
	–	–	0.02	–	42.37	1.87	0.07	0.03	–	44.36
Additions during the year <sup>(1)</sup>	–	–	–	–	6.81	0.12	1.96	–	–	8.89
	–	–	–	–	5.11	0.05	0.18	0.06	–	5.40
Deductions during the year	–	–	–	–	(0.03)	–	(0.03)	–	–	(0.06)
	–	–	–	–	–	–	(0.01)	–	–	(0.01)
Gross block as at 31.03.2014	–	–	0.02	–	54.26	2.04	2.17	0.09	–	58.58
	–	–	0.02	–	47.48	1.92	0.24	0.09	–	49.75
Capital work-in-progress										6.11
										0.60

Additional information:

- (1) Includes ₹ 2.61 crores (2012-13: Nil) being capitalised out of opening work-in-progress of automation division. This has been not considered in claiming research and development expenditure.

## 12. INTANGIBLE ASSETS

[Item No. 5(a)(ii), Page 140]

Intangible Assets	₹ crores		
	Software Costs	Development of property <sup>(2)</sup>	Total
Gross block as at 01.04.2013	119.09	581.05	700.14
	81.52	546.43	627.95
Additions during the year <sup>(1)(3)</sup>	22.97	102.54	125.51
	37.57	34.62	72.19
Gross block as at 31.03.2014 <sup>(3)</sup>	142.06	683.59	825.65
	119.09	581.05	700.14
Accumulated amortisation as at 01.04.2013	79.97	395.66	475.63
	71.08	332.97	404.05
Amortisation during the year	12.16	136.54	148.70
	8.89	62.69	71.58
Accumulated amortisation as at 31.03.2014	92.13	532.20	624.33
	79.97	395.66	475.63
Net block as at 31.03.2014	49.93	151.39	201.32
	39.12	185.39	224.51

Additional information:

- (1) Additions include adjustments for inter se transfers.  
(2) Development of property represents expenditure incurred on development of mines/collieries.  
(3) Addition and gross block of software costs includes cost of software purchased for in-house research recognised facility ₹ 0.27 crore (2012-13: Nil).  
(4) The above intangible assets do not include any internally generated assets.

**13. NON-CURRENT INVESTMENTS**

[Item No. 5(b), Page 140]

		₹ crores	
			As at 31.03.2013
		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	
<b>A. Trade investments</b>			
<b>(I) Investments in Equity Instruments</b>			
<b>(a) Investments in Subsidiary Companies</b>			
<b>(i) Quoted</b>			
(1)	Tata Metaliks Ltd. (8,67,598 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,26,67,590	26.30
(2)	Tayo Rolls Limited	55,87,372	48.57
(3)	Tata Sponge Iron Limited (5,39,554 shares acquired on amalgamation of Kalimati Investment Company Limited)	83,93,554	86.54
(4)	The Tinsplate Company of India Limited (15,84,948 shares acquired on amalgamation of Kalimati Investment Company Limited)	7,84,57,640	395.02
		<b>556.43</b>	<b>11.80</b> <b>48.57</b> <b>73.01</b> <b>388.78</b> <b>522.16</b>
<b>(ii) Unquoted</b>			
(1)	ABJA Investment Co. Pte Ltd. (Face value of USD 1 each) (2,00,000 shares acquired during the year)	2,00,000	1.08
(2)	Adityapur Toll Bridge Company Limited	1,50,00,000	14.44
(3)	Bangla Steel & Mining Co. Ltd.* (Face value of TK 100 each) (9,998 shares acquired on amalgamation of Kalimati Investment Company Limited)	9,998	-
(4)	Indian Steel & Wire Products Ltd. (1,46,763 shares acquired during the year)	56,89,401	3.04
(5)	Gopalpur Special Economic Zone Limited	10,00,000	1.00
(6)	Jamshedpur Continuous Annealing and Processing Company Private Limited	44,57,40,000	445.74
(7)	Jamshedpur Utilities & Services Company Limited	2,03,50,000	20.35
(8)	Kalimati Investment Company Limited (Amalgamated with the Company)	-	-
(9)	Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	1.16
(10)	NatSteel Asia Pte. Ltd. (Face value of SGD 1 each)	28,14,37,128	773.86
(11)	T M International Logistics Limited	91,80,000	9.18
(12)	T M Mining Company Limited (37,000 shares acquired during the year)	1,11,000	0.11
(13)	Tata Incorporated (Face value of USD 1,000 each)	1,500	1.64
(14)	Tata Korf Engineering Services Ltd.* (1,59,600 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,99,986	-
(15)	Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	84.70
(16)	Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each) (27,27,15,598 shares acquired during the year)	5,93,17,67,688	47,875.33
(17)	Tata Steel Processing and Distribution Limited	6,82,50,000	274.45
(18)	Tata Steel Odisha Limited	50,000	0.05
(19)	The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	0.70
(20)	TS Alloys Limited (12,80,353 shares acquired during the year)	4,95,34,284	62.47
		<b>49,569.30</b>	<b>47,364.66</b> <b>47,886.82</b>
		<b>50,125.73</b>	<b>47,886.82</b>

Carried forward

### 13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 140]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2013
Brought forward		50,125.73	47,886.82
<b>(b) Investments in Joint Ventures</b>			
<b>(i) Unquoted</b>			
(1) Bhubaneshwar Power Private Limited (15,47,233 shares acquired during the year)	1,32,13,373	13.22	11.67
(2) Himalaya Steel Mills Services Pvt. Ltd.	36,19,945	3.61	3.61
(3) mjunction services ltd.	40,00,000	4.00	4.00
(4) S & T Mining Company Private Limited (18,45,000 shares acquired during the year)	92,91,400	9.29	7.45
(5) Tata BlueScope Steel Ltd. (7,50,00,000 shares acquired during the year)	43,30,00,000	433.00	358.00
(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each) (17,07,500 shares acquired during the year)	3,02,07,500	137.64	127.28
(7) The Dhamra Port Company Limited	32,40,00,000	324.00	324.00
		<b>924.76</b>	<b>836.01</b>
		<b>924.76</b>	<b>836.01</b>
<b>(c) Investments in Associate Companies</b>			
<b>(i) Quoted</b>			
(1) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	—	—
(2) TRF Ltd. (1,87,586 shares acquired on amalgamation of Kalimati Investment Company Limited)	37,73,014	5.82	4.38
		<b>5.82</b>	<b>4.38</b>
<b>(ii) Unquoted</b>			
(1) Industrial Energy Ltd.	8,65,80,000	86.58	86.58
(2) Jamipol Ltd. (5,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	36,75,000	8.39	3.18
(3) Kalinga Aquatics Ltd.*	10,49,920	—	—
(4) Kumardhubi Metal Casting & Engineering Ltd.*	10,70,000	—	—
(5) Nicco Jubilee Park Limited *	3,40,000	—	—
(6) Rujivalika Investments Ltd. (3,20,467 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,20,467	0.60	—
(7) Strategic Energy Technology Systems Private Limited	2,47,09,500	24.71	24.71
(8) Tata Construction & Projects Ltd.* (6,36,364 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,97,699	—	—
(9) TRL Krosaki Refractories Ltd. (13,24,504 shares acquired on amalgamation of Kalimati Investment Company Limited)	55,63,864	42.38	25.88
		<b>162.66</b>	<b>140.35</b>
		<b>168.48</b>	<b>144.73</b>
Carried forward		<b>51,218.97</b>	<b>48,867.56</b>

**13. NON-CURRENT INVESTMENTS (continued)**

[Item No. 5(b), Page 140]

				₹ crores
		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		As at 31.03.2013
Brought forward			<b>51,218.97</b>	48,867.56
<b>(d) Investments in Others</b>				
<b>(i) Quoted</b>				
(1)	Steel Strips Wheels Limited (12,55,856 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,55,856	21.35	—
(2)	Tata Investment Corporation Limited (2,46,018 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,46,018	6.51	—
(3)	Tata Motors Ltd. (Face value of ₹ 2 each) (38,76,820 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,16,87,515	295.35	261.43
(4)	The Tata Power Company Ltd. (Face value of ₹ 1 each)	3,43,18,180	196.25	196.25
(5)	Titan Company Limited (Face value of ₹ 1 each) (3,87,75,840 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,87,75,840	13.36	—
(6)	Others ₹ 47,834 (31.03.2013: ₹ 40,270) <sup>(3)</sup>		0.01	0.01
			<b>532.83</b>	457.69
<b>(ii) Unquoted</b>				
(1)	Panatone Finvest Ltd.	45,000	0.05	0.05
(2)	Steelscape Consultancy Pvt. Ltd.	50,000	0.03	0.03
(3)	Taj Air Limited (42,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	42,00,000	4.20	—
(4)	Tata Industries Ltd. (Face value of ₹ 100 each) (15,37,854 shares acquired on amalgamation of Kalimati Investment Company Limited)	99,80,436	202.19	149.62
(5)	Tata International Ltd. (Face value of ₹ 1,000 each) (19,136 shares acquired on amalgamation of Kalimati Investment Company Limited)	28,616	31.19	6.23
(6)	Tata Projects Ltd. (Face value of ₹ 100 each) (1,28,250 shares acquired during the year)	2,18,250	32.36	0.18
(7)	Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	0.16	0.16
(8)	Tata Sons Limited (Face value of ₹ 1,000 each) (12,375 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,375	68.75	—
(9)	Tata Teleservices Ltd. (15,38,672 shares acquired on amalgamation of Kalimati Investment Company Limited)	6,46,92,310	138.68	134.06
(10)	Tarapur Environment Protection Society	30,424	0.31	0.31
(11)	Others ₹ 99,517 (31.03.2013: ₹ 32,496) <sup>(4)</sup>		0.01	—
			<b>477.93</b>	290.64
			<b>1,010.76</b>	748.33
			<b>52,229.73</b>	49,615.89
<b>(II) Investments in Preference Shares</b>				
<b>(a) Investments in Subsidiary Companies</b>				
<b>(i) Unquoted</b>				
(1)	Tata Metaliks Ltd. 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	1,00,00,000	100.00	100.00
(2)	Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each) (87,00,000 shares acquired during the year)	1,52,00,000	152.00	65.00
Carried forward			<b>52,481.73</b>	49,780.89

### 13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 140]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2013
Brought forward		<b>52,481.73</b>	49,780.89
(3) The Tinplate Company of India Limited 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (17,29,000 shares redeemed during the year) (92,61,000 shares partly redeemed during the year)	92,61,000	44.58	99.53
		<b>296.58</b>	264.53
		<b>296.58</b>	264.53
<b>(III) Investments in Debentures/Bonds</b>			
<b>(a) Investments in Subsidiary Companies</b>			
<b>(i) Unquoted</b>			
(1) Kalimati Investment Company Limited 2% Fully Convertible Debentures of ₹ 100 each (Amalgamated with the Company)	—	—	190.00
		—	190.00
<b>(b) Investments in Associate Companies</b>			
<b>(i) Unquoted</b>			
(1) Tata Construction & Projects Ltd.* 10% Convertible debentures of ₹ 100 each (54,000 debentures acquired on amalgamation of Kalimati Investment Company Limited)	97,000	—	—
		—	—
		—	190.00
		<b>52,526.31</b>	50,070.42
<b>Provision for diminution in the value of investments</b>			
(i) Investment in Equity Instruments		(159.01)	(85.73)
(ii) Investment in Preference Shares		(48.95)	—
		<b>(207.96)</b>	(85.73)
<b>Total trade investments</b>		<b>52,318.35</b>	49,984.69
<b>B. Other Investments</b>			
<b>(I) Investments in Equity Instruments</b>			
<b>(a) Investments in others</b>			
<b>(i) Quoted</b>			
(1) Credit Analysis & Research Limited (3,54,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,54,000	0.10	—
(2) Housing Development Finance Corporation Ltd. (Face value of ₹ 2 each)	7,900	0.01	0.01
(3) Others ₹ 2.00 (31.03.2013: ₹ 2.00) <sup>(5)</sup>	—	—	—
		<b>0.11</b>	0.01
<b>(ii) Unquoted</b>			
(1) IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(2) Others ₹ 47,486 (31.03.2013: ₹ 3) <sup>(6)</sup>	—	—	—
		<b>0.10</b>	0.10
<b>Total other investments</b>		<b>0.21</b>	0.11
<b>Total non-current investments</b>		<b>52,318.56</b>	49,984.80

\* These investments are carried at a book value of ₹ 1.00

## Additional information:

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	
			As at 31.03.2013
(1) Carrying value of Quoted Investments Market Value as at 31st March, 2014 ₹ 8,390.72 crores (31.03.2013: ₹ 4,980.56 crores)		<b>1,046.62</b>	984.24
(2) Carrying value of Unquoted Investments		<b>51,271.94</b>	49,000.56
		<b>52,318.56</b>	49,984.80
		₹	₹
(3) Trade Investments - Equity instruments (Others) - Quoted include:			
(a) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	<b>40,260</b>	40,260
(b) Tata Consultancy Services Limited (Face Value of ₹ 1 each) (24,400 shares acquired on amalgamation of Kalimati Investment Company Limited)	24,400	<b>7,564</b>	-
(c) Timken India Ltd.	1	<b>10</b>	10
		<b>47,834</b>	40,270
(4) Trade Investments - Equity instruments (Others) - Unquoted include:			
(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face Value of ₹ 25 each)	200	<b>5,000</b>	5,000
(b) Bokaro and Ramgarh Ltd.	100	<b>16,225</b>	16,225
(c) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	<b>2,500</b>	2,500
(d) Jamshedpur Co-operative House Building Society Ltd. (Face Value of ₹ 100 each)	10	<b>1,000</b>	1,000
(e) Jamshedpur Co-operative Stores Ltd. (Face Value of ₹ 5 each)	50	<b>250</b>	250
(f) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face Value of ₹ 100 each)	50	<b>5,000</b>	5,000
(g) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	<b>2,500</b>	2,500
(h) Malusha Travels Pvt. Ltd. (3,350 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	<b>33,520</b>	20
(i) Mohar Exports Services Pvt. Limited (3,352 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	<b>33,520</b>	-
(j) TBW Publishing and Media Pvt. Limited (100 shares acquired on amalgamation of Kalimati Investment Company Limited)	100	<b>1</b>	-
(k) Woodland Multispeciality Hospital Ltd.	1,25,000	<b>1</b>	1
		<b>99,517</b>	32,496
(5) Other Investments - Equity instruments (Others) - Quoted include:			
(a) Reliance Firebrick and Pottery Company Ltd. (Partly paid-up)	16,800	<b>1</b>	1
(b) Reliance Firebrick and Pottery Company Ltd.	2,400	<b>1</b>	1
		<b>2</b>	2
(6) Other Investments - Equity instruments (Others) - Unquoted include:			
(a) Eastern Synpacks Limited (1,50,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,50,000	<b>1</b>	-
(b) Investech Advisory Services (India) Limited (Face Value of ₹ 100 each) (1,680 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,680	<b>1</b>	-
(c) Namtech Electronic Devices Limited (48,026 shares acquired on amalgamation of Kalimati Investment Company Limited)	48,026	<b>1</b>	-
(d) Sanderson Industries Ltd. (1,06,234 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,33,876	<b>2</b>	1
(e) Standard Chrome Ltd. (5,58,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,16,000	<b>2</b>	1
(f) Wellman Incandescent India Ltd. (6,22,134 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,21,234	<b>2</b>	1
(g) Unit Trust of India – Mastershares (2,229 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,229	<b>47,477</b>	-
		<b>47,486</b>	3

## 14. LOANS AND ADVANCES

[Item No. 5(c) and 6(e), Page 140]

₹ crores

				As at 31.03.2013		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
(a) Capital advances <sup>(1)</sup>						
Unsecured and considered good	1,399.47	–	1,399.47	2,509.16	–	2,509.16
(b) Security deposits						
Unsecured and considered good	109.01	–	109.01	104.42	–	104.42
Unsecured and considered doubtful	1.67	–	1.67	1.56	–	1.56
Less: Provision for bad & doubtful loans and advances	1.67	–	1.67	1.56	–	1.56
	<u>109.01</u>	<u>–</u>	<u>109.01</u>	<u>104.42</u>	<u>–</u>	<u>104.42</u>
(c) Advance with public bodies						
Unsecured and considered good	650.68	802.62	1,453.30	431.61	693.20	1,124.81
Unsecured and considered doubtful	13.20	1.85	15.05	13.09	1.87	14.96
Less: Provision for bad & doubtful loans and advances	13.20	1.85	15.05	13.09	1.87	14.96
	<u>650.68</u>	<u>802.62</u>	<u>1,453.30</u>	<u>431.61</u>	<u>693.20</u>	<u>1,124.81</u>
(d) Loans and advances to related parties <sup>(2)</sup>						
Unsecured and considered good	586.65	233.88	820.53	2,796.60	124.18	2,920.78
Unsecured and considered doubtful	551.06	140.17	691.23	500.19	114.84	615.03
Less: Provision for bad & doubtful loans and advances	551.06	140.17	691.23	500.19	114.84	615.03
	<u>586.65</u>	<u>233.88</u>	<u>820.53</u>	<u>2,796.60</u>	<u>124.18</u>	<u>2,920.78</u>
(e) MAT credit entitlement						
Unsecured and considered good	–	–	–	–	399.84	399.84
(f) Advance payment against taxes <sup>(3)</sup>						
Unsecured and considered good	602.86	–	602.86	405.33	–	405.33
(g) Other loans and advances <sup>(4)</sup>						
Unsecured and considered good	731.40	262.70	994.10	327.03	990.61	1,317.64
Unsecured and considered doubtful	3.30	33.78	37.08	1.00	34.00	35.00
Less: Provision for bad & doubtful loans and advances	3.30	33.78	37.08	1.00	34.00	35.00
	<u>731.40</u>	<u>262.70</u>	<u>994.10</u>	<u>327.03</u>	<u>990.61</u>	<u>1,317.64</u>
	<u>4,080.07</u>	<u>1,299.20</u>	<u>5,379.27</u>	<u>6,574.15</u>	<u>2,207.83</u>	<u>8,781.98</u>

### Additional information:

(1) Include capital advance in respect of research and development activities of ₹ 12.78 crores (31.03.2013: ₹ 0.79 crore).

(2) Loans and advances to related parties include:

(a) Advance against equity for purchase of shares in subsidiaries, joint ventures and associate ₹ 140.79 crores (31.03.2013: ₹ 2,385.25 crores).

(b) Loans and advances in the nature of loans given to subsidiaries and associate ₹ 712.84 crores (31.03.2013: ₹ 595.09 crores).

Disclosure as per clause 32 of the listing agreement:

Name of the Company	Relationship	As at 31.03.2014	Maximum balance outstanding during the year	Investment by the loanee in the shares of parent company
		₹ crores	₹ crores	No. of Shares
Indian Steel & Wire Products Ltd.	Subsidiary	–	–	–
		–	8.09	–
Tata Steel (KZN) (Pty) Ltd.	Subsidiary	<b>527.14</b>	<b>557.73</b>	–
		495.79	525.10	–
Tata Metaliks Ltd.	Subsidiary	<b>22.00</b>	<b>22.00</b>	–
		22.00	72.00	–
Adityapur Toll Bridge Company Limited	Subsidiary	<b>13.00</b>	<b>13.00</b>	–
		10.60	10.60	–
Tayo Rolls Limited	Subsidiary	–	<b>23.00</b>	–
		–	–	–
Industrial Energy Ltd.	Associate	<b>139.20</b>	<b>139.20</b>	–
		43.20	43.20	–
Jamshedpur Utilities & Services Company Limited	Subsidiary	<b>11.50</b>	<b>11.50</b>	–
		11.50	11.50	–
TS Alloys Ltd.	Subsidiary	–	<b>12.00</b>	–
		12.00	12.00	–

 (c) Intercompany deposits ₹ **585.70** crores (31.03.2013: ₹ 499.30 crores)

(3) Advance payment against taxes is after year wise set off against provision for taxation.

(4) Other loans and advances include:

 (a) Loan due by an officer of the Company ₹ **81,250** (31.03.2013: ₹ 96,250)

 (b) Intercompany deposits ₹ **2.00** crores (31.03.2013: ₹ 2.00 crores)

## 15. OTHER NON-CURRENT ASSETS

[Item No. 5(d), Page 140]

	₹ crores	
	As at 31.03.2013	As at 31.03.2013
(a) Balances with banks <sup>(1)(2)</sup>	<b>28.59</b>	28.51
(b) Unamortised loan issue expenses	<b>195.58</b>	147.60
(c) Others	<b>77.86</b>	39.68
	<b>302.03</b>	215.79

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

 (2) Includes balances with banks held as security against guarantees ₹ **28.46** crores (31.03.2013: ₹ 28.46 crores).

## 16. CURRENT INVESTMENTS

[Item No. 6(a), Page 140]

	₹ crores	
	As at 31.03.2013	As at 31.03.2013
Investments in Mutual Funds – Unquoted Liquid Funds	<b>2,343.24</b>	434.00
	<b>2,343.24</b>	434.00

## 17. INVENTORIES

(At lower of cost and net realisable value)

[Item No. 6(b), Page 140]

₹ crores

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished and semi-finished goods
- (d) Stock-in-trade of goods acquired for trading
- (e) Stores and spares

		As at 31.03.2013
	<b>2,035.78</b>	1,685.99
	<b>35.99</b>	65.88
	<b>2,216.14</b>	2,032.34
	<b>2.07</b>	0.80
	<b>1,717.83</b>	1,472.93
	<b>6,007.81</b>	5,257.94

### Included above, goods-in-transit:

- (i) Raw materials
- (ii) Finished and semi-finished goods
- (iii) Stock-in-trade of goods acquired for trading
- (iv) Stores and spares

	<b>536.46</b>	306.42
	<b>0.69</b>	0.75
	<b>0.03</b>	-
	<b>131.42</b>	111.61
	<b>668.60</b>	418.78

## 18. TRADE RECEIVABLES

[Item No. 6(c), Page 140]

₹ crores

- (a) More than six months
- (b) Others

		As at 31.03.2013
	<b>25.25</b>	32.94
	<b>761.47</b>	778.32
	<b>786.72</b>	811.26
	<b>15.91</b>	14.34
	<b>770.81</b>	796.92

Less: Provision for doubtful trade receivables – More than six months

Unsecured and considered good  
Doubtful

	<b>770.81</b>	796.92
	<b>15.91</b>	14.34
	<b>786.72</b>	811.26

## 19. CASH AND BANK BALANCES

[Item No. 6(d), Page 140]

₹ crores

- (a) Cash in hand
- (b) Cheques, drafts on hand
- (c) Remittances in-transit
- (d) Balances with banks
- Total cash and cash equivalents**
- (e) Earmarked balances with banks

		As at 31.03.2013
	<b>0.34</b>	0.39
	<b>181.83</b>	148.89
	<b>1.07</b>	25.77
	<b>726.09</b>	1,964.41
	<b>909.33</b>	2,139.46
	<b>51.83</b>	52.90
	<b>961.16</b>	2,192.36

**20. OTHER CURRENT ASSETS**

[Item No. 6(f), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Interest accrued on deposits, loans and advances	7.25	9.88
(b) Others	175.13	605.92
	<u>182.38</u>	<u>615.80</u>

Additional information:

- (1) Includes ₹ 49.00 crores (31.03.2013: ₹ 48.75 crores) on account of loan issue expenses, ₹ 123.25 crores (31.03.2013: Nil) on account of receivables for sale of investments and ₹ 2.88 crores (31.03.2013: ₹ 557.17 crores) on account of dividend receivable.

**21. REVENUE FROM OPERATIONS**

[Item No. 1(a), Page 141]

	₹ crores	
		Previous Year
(a) Sale of products <sup>(1)</sup>	44,884.60	41,013.90
(b) Sale of power and water	897.99	875.29
(c) Income from town, medical and other services	86.96	75.60
(d) Other operating income <sup>(2)</sup>	439.79	352.45
	<u>46,309.34</u>	<u>42,317.24</u>

Additional information:

- (1) Details of products sold:

	₹ crores	
Class of Products		Previous Year
(i) Saleable Steel (Finished)	36,056.57	31,817.79
(ii) Agrico Products	159.52	166.04
(iii) Semi-finished Steel and Scrap	1,376.20	1,647.61
(iv) Welded Steel Tubes [includes tubular steel structures ₹ 692.83 crores (2012-13: ₹ 582.57 crores)]	2,095.56	1,933.34
(v) By-Products, etc.	427.02	333.14
(vi) Raw Materials:		
– Ferro Manganese	210.95	186.10
– Charge Chrome/Ferro Chrome	1,103.72	1,523.81
– Other Raw Materials	3,172.98	3,130.52
(vii) Bearings	187.77	180.14
(viii) Metallurgical Machinery	36.27	91.23
(ix) Sale of Purchased Materials:		
– Saleable Steel (Finished/Converted)	51.89	–
– Raw Materials/Scrap/Other Materials	6.15	4.18
	<u>44,884.60</u>	<u>41,013.90</u>

- (2) Includes lease rentals of ₹ 0.20 crore (2012-13: ₹ 0.20 crore) on wagons leased to railways under Own Your Wagon Scheme.

## 22. OTHER INCOME

[Item No. 1(b), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Dividend income		
(i) Investment in subsidiaries	352.97	627.60
(ii) Investment in joint ventures and associates	69.36	12.51
(iii) Other non-current investments	58.69	62.24
(iv) From current investments	13.42	–
(b) Interest income	153.64	109.09
(c) Net gain/(loss) on sale of investments		
(i) On sale of other non-current investments	24.78	–
(ii) On sale of current investments	181.40	221.53
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(48.61)	(3.00)
(e) Gain/(Loss) on cancellation of forwards, swaps and options (net)	(18.01)	(127.93)
	<b>787.64</b>	<b>902.04</b>

## 23. RAW MATERIALS CONSUMED

[Item No. 2(a), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Iron Ore	1,977.51	1,746.21
(b) Coal [excluding ₹ 4,724.84 crores (2012-13: ₹ 4,484.87 crores) used for manufacturing coke]	1,238.51	1,145.26
(c) Coke	5,637.89	6,397.85
(d) Limestone and Dolomite	738.00	663.93
(e) Ferro Manganese	181.14	132.21
(f) Zinc and Zinc Alloys	267.56	259.59
(g) Sulphur and Other Materials	2,181.77	1,834.21
	<b>12,222.38</b>	<b>12,179.26</b>

### Additional information:

- (1) The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- (2) Raw materials consumed includes ₹ 2,544.67 crores (2012-13: ₹ 2,301.86 crores) charged to wages and salaries and other revenue accounts.

## 24. PURCHASE OF FINISHED, SEMI-FINISHED AND OTHER PRODUCTS

[Item No. 2(b), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) For Resale:		
(i) Finished/Semi-finished steel materials	52.34	3.30
(ii) Finished/Semi-finished steel materials - Agrico and Tubes	33.41	20.60
(b) For Own Consumption:		
(i) Finished/Semi-finished steel materials <sup>(1)</sup>	252.36	418.65
(ii) Others	14.52	10.79
	<b>352.63</b>	<b>453.34</b>

### Additional information:

- (1) Includes components for manufacture of metallurgical machinery ₹ 138.48 crores (2012-13: ₹ 206.18 crores).

**25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

[Item No. 2(c), Page 141]

	₹ crores	
		<i>Previous Year</i>
<b>Inventories at the end of the year</b>		
(a) Work-in-progress	35.99	65.88
(b) Finished and semi-finished goods	2,216.14	2,032.34
(c) Stock-in-trade of goods acquired for trading	2.07	0.80
	<b>2,254.20</b>	<b>2,099.02</b>
<b>Inventories at the beginning of the year</b>		
(a) Work-in-progress	65.88	53.83
(b) Finished and semi-finished goods	2,032.34	1,639.83
(c) Stock-in-trade of goods acquired for trading	0.80	0.76
	<b>2,099.02</b>	<b>1,694.42</b>
	<b>155.18</b>	<b>404.60</b>

Additional information:

(1) Details of finished and semi-finished goods, stock-in-trade of goods acquired for trading:

Class of Products	₹ crores			
			<i>As at 31.03.2013</i>	
	Closing Stock	Opening Stock	Closing Stock	Opening Stock
(a) Saleable Steel (Finished)	1,195.65	1,133.75	1,133.75	832.20
(b) Agrico Products	11.08	11.15	11.15	14.25
(c) Semi-finished Steel and Scrap	761.66	657.79	657.79	591.42
(d) Welded Steel Tubes	93.54	77.89	77.89	68.17
(e) By-Products, etc.	15.79	9.38	9.38	9.14
(f) Other Products	115.97	114.29	114.29	105.54
(g) Bearings	21.97	27.90	27.90	18.72
(h) Sale of Purchased Materials –				
Saleable Steel (Finished/Converted)	0.48	0.19	0.19	0.39
Raw Materials/Scrap/Other Materials	2.07	0.80	0.80	0.76
	<b>2,218.21</b>	<b>2,033.14</b>	<b>2,033.14</b>	<b>1,640.59</b>

**26. EMPLOYEE BENEFITS EXPENSE**

[Item No. 2(d), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Salaries and wages, including bonus	3,230.60	2,916.69
(b) Contribution to provident and other funds	365.90	418.90
(c) Staff welfare expenses	76.58	266.68
	<b>3,673.08</b>	<b>3,602.27</b>

## 27. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. 2(e), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Depreciation on tangible assets	1,780.00	1,568.80
(b) Amortisation of intangible assets	148.70	71.58
	<u>1,928.70</u>	<u>1,640.38</u>

## 28. FINANCE COSTS

[Item No. 2(f), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Interest expense		
(i) Debentures/bonds and fixed loans	1,946.46	1,846.00
(ii) Others <sup>(1)</sup>	99.66	119.38
(b) Other borrowing costs	85.12	85.52
	<u>2,131.24</u>	<u>2,050.90</u>
Less: Interest capitalised	310.66	174.13
	<u>1,820.58</u>	<u>1,876.77</u>

*Additional information:*

(1) Includes interest on income tax assessment for earlier years Nil (2012-13: ₹ 41.28 crores)

## 29. OTHER EXPENSES

[Item No. 2(g), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Consumption of stores and spares	2,611.23	2,090.89
(b) Repairs to buildings	74.46	85.42
(c) Repairs to machinery	1,733.92	1,381.08
(d) Relining expenses	44.06	38.49
(e) Fuel oil consumed	207.70	189.06
(f) Purchase of power	2,564.61	2,321.11
(g) Conversion charges	2,003.63	1,955.19
(h) Freight and handling charges	2,755.08	2,260.76
(i) Rent	46.04	33.63
(j) Royalty	1,129.80	1,152.43
(k) Rates and taxes	508.61	423.18
(l) Insurance	44.06	41.77
(m) Commission, discounts and rebates	163.98	142.67
(n) Provision for wealth tax	2.00	2.00
(o) Provision for doubtful debts and advances	60.53	11.15
(p) Excise duty	80.32	134.97
(q) Others <sup>(1)</sup>	2,345.78	2,157.11
	<u>16,375.81</u>	<u>14,420.91</u>

Additional information:

		₹ crores
		Previous Year
(1) Others include:		
(a) Adjustment to the carrying amount of investments	–	1.03
(b) Provision for impairment of fixed assets	0.33	4.01
(c) Net loss/(gain) on foreign currency transactions	463.77	536.90
(d) Auditors remuneration and out-of-pocket expenses		
(i) As auditors [includes ₹ 0.02 crore (2012-13: Nil) of Kalimati Investment Company Limited]	4.02	4.00
(ii) For taxation matters [includes ₹ 22,472 (2012-13: Nil) of Kalimati Investment Company Limited]	0.37	0.37
(iii) For other services [excluding Nil (2012-13: ₹ 0.06 crore) being expenses relating to acquisition of equity investment] [includes ₹ 0.02 crore (2012-13: Nil) of Kalimati Investment Company Limited]	2.27	0.43
(iv) Auditors out-of-pocket expenses	0.11	0.18
(e) Cost audit fees [including expenses ₹ 21,578 (2012-13: ₹ 85,231)]	0.12	0.13

### 30. EXCEPTIONAL ITEMS

[Item No. 4, Page 141]

- (a) During the year, the Company carried out impairment testing of its exposure in some of its affiliate companies due to the existence of factors indicating probable impairment.

Consequently, an amount of ₹ 122.24 crores on account of investment exposure in Tayo Rolls Limited (a subsidiary) and Strategic Energy Technology Systems Private Limited (an associate) and ₹ 19.52 crores on account of advances paid to be converted into equity in Gopalpur Special Economic Zone Limited (a subsidiary) have been provided for.

The previous year amount of ₹ 686.86 crores relates to provision on account of the Company's exposure in its subsidiary Tata Steel (KZN) Pty Ltd.

- (b) Profit on sale of non-current investments relates to the disposal of equity stake by the Company in its subsidiaries Jamshedpur Continuous Annealing and Processing Company Private Limited at a profit of ₹ 9.60 crores and Sila Eastern Ltd. at a profit of ₹ 2.73 crores.

### 31. EARNINGS PER SHARE (EPS)

[Item No. 9 and 10, Page 141]

		₹ crores
		Previous Year
(a) Profit after tax	6,412.19	5,062.97
Less: Distribution on Hybrid Perpetual Securities (net of tax)	175.61	179.84
Profit attributable to Ordinary Shareholders – for Basic EPS	6,236.58	4,883.13
Profit attributable to Ordinary Shareholders – for Diluted EPS	6,236.58	4,883.13
	<b>Nos.</b>	<b>Nos.</b>
(b) Weighted average no. of Ordinary Shares for Basic EPS	97,12,15,239	97,12,14,550
Weighted average no. of Ordinary Shares for Diluted EPS	97,12,15,239	97,12,14,550
(c) Nominal value per Ordinary Share	₹ 10.00	₹ 10.00
(d) Basic Earnings per Ordinary Share	₹ 64.21	₹ 50.28
(e) Diluted Earnings per Ordinary Share	₹ 64.21	₹ 50.28

Additional information:

- (1) 4.5% Foreign Currency Convertible Bonds are anti-dilutive.

## 32. CONTINGENT LIABILITIES AND COMMITMENTS

### A. Contingent Liabilities

#### (a) Claims not acknowledged by the Company

₹ crores

		As at 31.03.2013
(i) Excise and Service Tax	415.27	466.21
(ii) Customs	13.71	13.70
(iii) Sales Tax and VAT	283.25	386.68
(iv) State Levies	271.73	268.14
(v) Suppliers and Service Contract	80.38	77.52
(vi) Labour Related	48.85	45.23
(vii) Income Tax	107.55	8.11
(viii) Royalty	14.01	14.01

- (b) The Company has given guarantees aggregating ₹ 2,224.38 crores (31.03.2013: ₹ 579.91 crores) on behalf of others. As at 31st March, 2014, the contingent liabilities under these guarantees amounts to ₹ 2,224.38 crores (31.03.2013: ₹ 579.91 crores).
- (c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2013: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2013: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.
- (d) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act, 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Orissa challenging the validity of the Act. Orissa High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved to the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The potential liability, as of 31st March, 2014 would be approximately ₹ 3,946.65 crores (31.03.2013: ₹ 3,006.46 crores).
- (e) Interest expenditure on loans taken and deployed for Corus acquisition has been disallowed in assessments with tax demand raised for ₹ 453 crores. Company has deposited ₹ 300 crores as a precondition to prefer appeals and is reasonably confident of succeeding in litigation, on due consideration of facts and legal position.
- (f) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The demand of the state mining authority has been confirmed by High Court vide its Judgment dated 12th March, 2014. High Court has concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending SLP's filed by State and Company in the year 2004. Company has filed SLP before Supreme Court against the order of the High Court dated 12th March, 2014. In the hearing held on 2nd May, 2014, the case has been referred to the Larger Bench of the Supreme Court. Principal demand amount have been provided in the books. Interest amount of ₹ 301.83 crores (31.03.2013: ₹ 453.91 crores including principal demand of ₹ 190 crores) has been considered as contingent liability.
- (g) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.  
An additional demand of ₹ 148.15 crores has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on 14th November, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Accordingly, the demand of ₹ 148.15 crores (31.03.2013: ₹ 79.08 crores) has been considered as a contingent liability.
- (h) In terms of Agreements entered into in 2008-09 between Tata Teleservices Ltd. (TTSL), Tata Sons Limited (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company sold to the SP, 52,46,590 equity shares of Tata Teleservices Ltd. ("TTSL") at ₹ 116.09 per share which resulted in a profit of ₹ 49.77 crores in the same year. Tata Sons Limited is party to a Shareholders Agreement with NTT DoCoMo, Inc. of Japan (Strategic Partner – SP) dated 25th March, 2009 and amended on 21st May, 2010.  
The Company has an "inter se" agreement with Tata Sons Limited and other Tata Group companies. Tata Sons Limited has informed the Company as follows:
- Under the terms of the Shareholders Agreement if certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 the SP has an option to divest its entire shareholdings in TTSL at a price being the higher of fair value or ₹ 58.05 per share (i.e. 50 percent of the subscription price) ("Sale Price"), subject to compliance with applicable law and regulations ("Sale Option").
  - Tata Sons Limited had offered other shareholders of TTSL, including the Company, the option in 2008-09 to sell to the SP. If Tata Sons Limited becomes obliged to acquire the Sale Shares under the Sale Option the Company can be nominated by it to acquire pro-rated proportions of the Sale Shares based on the number of shares sold by the Company to the SP. On a pro-rated bases the number of shares would be 2,58,83,846 shares out of the Sale Shares. The Company has further agreed to reimburse Tata Sons Limited for any other indemnification claim made on Tata Sons Limited by SP on a similar proportionate basis.
  - In the wake of recent regulatory developments in India, Tata Sons Limited has considered its position relating to the possible exercise of the Sale Option under the Shareholders Agreement.

- (iv) The Shareholders Agreement obliges Tata Sons Limited to find a buyer for the shares at the Sale Price.
- (v) If there is no buyer at the Sale Price, then Tata Sons Limited is obliged to acquire or procure the acquisition of such shares. These obligations are subject to compliance with applicable law and regulations.
- (vi) No notice of exercise of the Sale Option has been received although the SP has communicated its board decision to exercise the Sale Option.
- (vii) Pending receipt of a notice exercising the Sale Option and in view of applicable law and regulations, the exposure of the Company (if any) cannot be ascertained.

The aforementioned agreements are governed by Indian Law.

- (i) Bills discounted ₹ 369.59 crores (31.03.2013: ₹ 469.58 crores).

## B. Commitments

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 8,830.93 crores (31.03.2013: ₹ 11,995.60 crores).
- (b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2013: ₹ 0.01 crore).

33. The Company has given undertakings to: (a) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (b) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (c) Standard Chartered Bank, State Bank of India not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (d) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, not to dispose of its investments in Tata NYK Shipping Pte Limited, (minimal stake required to be able to provide a corporate guarantee towards long-term debt), (e) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Limited and Tata Steel Netherlands Holdings B.V. and other companies (the borrower group), (f) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Ltd., (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing and Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge of lien or in any way encumber its holding in Taj Air Limited, (j) Sumitomo Mitsui Banking Corporation not to dispose of the management control in Tata Metaliks Di Pipes Limited (Formerly known as Tata Metaliks Kubota Pipes Limited) held through Tata Metaliks Ltd. so long as the dues to Sumitomo Mitsui Banking Corporation is subsisting by Tata Metaliks Di Pipes Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Steel Ltd. (TBSSL) (i.e. BlueScope Steel Asia Holdings Pty Limited, Australia and Tata Steel Limited) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to reduce collective shareholding in TBSSL, below 51%.

In addition to the above undertakings, the Promoters of The Dhamra Port Company Limited (DPCL) i.e. Tata Steel Limited and L&T Infrastructure Development Projects Limited (L&TIDPL) have given an undertaking to a consortium of lenders of DPCL not to reduce collective shareholding in DPCL, held directly or indirectly, below 51%, to retain majority representation on the board of directors and to remain the Promoters of DPCL until the loans are fully repaid.

The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Limited) combined investments in Industrial Energy Ltd. (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).

The Company has agreed, if requested by Tata Steel UK Holdings Limited (TSUKH), an indirect wholly owned subsidiary of Tata Steel Limited, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level.

The Company has agreed, if requested by Tayo Rolls Limited to extend support in operational and financial matters subject to the condition that the financial support will not exceed ₹ 79 crores.

The Company has agreed, if requested by Jamshedpur Utilities & Services Company Limited to extend continued support in operational and financial matters for the next twelve months ending 31st March, 2015 subject to the condition that the financial support extended will not exceed ₹ 80 crores at any point of time during the twelve months period.

34. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The State Government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. The matter is under discussion and no contribution has been made till 31st March, 2014.
35. Odisha Legislative Assembly issued an amendment to Indian Stamp Act on 9th May, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company filed a writ petition challenging the constitutionality of the Act on 5th July, 2013. The Hon'ble High Court, Cuttack has passed an order on 9th July, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company has received demand notices for the various mines at Orissa totalling to ₹ 5,579 crores. The Company on the basis of external legal opinion has concluded that it is remote that the claim will sustain against the Company on ultimate resolution of the legal case by the Courts. Liability has been provided in the books of accounts as per the existing provisions of the Stamp Act, 1899.
36. Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹ 3,828 crores for the excess extraction over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period

2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done under the approval of the State Government and accordingly the Company has filed revision petitions.

An unconditional stay has been granted by the Mines Tribunal against one of the demand notices, which directed the State that no coercive action should be taken for recovery of demand. The hearing of the balance revision petitions is yet to take place.

37. Tax department raised demand on account of Excess mining in the assessment for assessment year 2009-10, subsequently quashed by the Dispute Resolution Panel. Tax department reopened assessments of the earlier years on the same ground and raised cumulative demand of ₹ 1,086 crores. The Company has obtained stay on the demand raised, with expectation of succeeding in appeals preferred with the higher appellate authorities.

### 38. STATEMENT OF PROFIT AND LOSS

#### (a) Value of direct imports (C.I.F. Value):

		₹ crores
		Previous Year
(i) Raw materials	6,011.17	5,689.56
(ii) Semi-finished products	91.55	132.80
(iii) Components, stores and spare parts	869.59	880.66
(iv) Capital goods	2,871.24	1,654.46
	<u>9,843.55</u>	<u>8,357.48</u>

#### (b) The value of consumption of directly imported and indigenously obtained raw materials, stores and spare parts and the percentage of each to the total consumption:

	₹ crores		%		Previous Year	
	₹ crores	%	₹ crores	%	₹ crores	%
(i) Raw materials						
– Directly imported	6,539.93	53.51	7,035.83	57.77%		
– Indigenously obtained	5,682.45	46.49	5,143.43	42.23%		
	<u>12,222.38</u>	<u>100.00%</u>	<u>12,179.26</u>	<u>100.00%</u>		
(ii) Components, stores and spare parts						
– Directly imported	1,589.20	33.88%	830.52	21.25%		
– Indigenously obtained	3,101.48	66.12%	3,077.87	78.75%		
	<u>4,690.68</u>	<u>100.00%</u>	<u>3,908.39</u>	<u>100.00%</u>		
Less: Consumption charged to other revenue accounts	1,678.91		1,440.22			
	<u>3,011.77</u>		<u>2,468.17</u>			

#### Additional information:

- The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.
- Raw materials consumed includes ₹ 2,544.67 crores (2012-13: ₹ 2,301.86 crores) charged to wages and salaries and other revenue accounts.
- Stores and spares consumed (including write-off of obsolete spares, if any) includes ₹ 192.84 crores (2012-13: ₹ 188.22 crores) being cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts.

#### (c) Expenditure in foreign currency:

		₹ crores
		Previous Year
(i) Technical know-how and technical consultant's fees (net of taxes) [including ₹ 122.26 crores (2012-13: ₹ 266.13 crores) on capital account]	173.29	306.20
(ii) Interest, commitment and bank charges	516.82	581.74
(iii) Commission	68.79	28.27
(iv) Payable on other accounts	45.68	153.78

**(d) Remittance in foreign currencies for dividend:**

The Company has not remitted any amount in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by/on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the year are as under:

		<i>Previous Year</i>
(i) Number of non-resident shareholders	<b>13,963</b>	13,225
(ii) Number of Ordinary Shares held by them	<b>15,77,59,375</b>	16,12,43,287
(iii) Gross amount of dividend	<b>₹ 126.20 crores</b>	₹ 193.49 crores

Gross amount of dividend declared in current and previous year pertain to FY 2012-13 and FY 2011-12 respectively.

**(e) Earnings in foreign exchange:**

		<b>₹ crores</b>
		<i>Previous Year</i>
(i) Export of steel and other materials (F.O.B.) (including value of exports through export houses)	<b>2,010.53</b>	2,341.08
(ii) Interest received	<b>25.03</b>	25.17
(iii) Others	<b>343.43</b>	7.20

(f) Revenue expenditure charged to Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ **68.45** crores (2012-13: ₹ 55.77 crores) including depreciation of ₹ **2.07** crores (2012-13: ₹ 1.33 crores). Capital expenditure in respect of research and development activities undertaken during the year is ₹ **12.06** crores (2012-13: ₹ 3.96 crores).

39. (a) Pursuant to the sanction of the Honourable High Court of Bombay to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Kalimati Investment Company Limited whose principal business was of carrying on the business of investment and finance, and registered as a non-banking financial company with the Reserve Bank of India has been merged with the Company with effect from the appointed date of 1st January, 2013 in accordance with the Scheme so sanctioned. The effect of the merger has been given in the accounts as per the scheme sanctioned.

The amalgamation has been accounted for under the "Pooling of Interests method" as prescribed by Accounting Standard 14 (AS-14) notified by the Government of India. Accordingly, the assets, liabilities and reserves of the erstwhile Kalimati Investment Company Limited as on the appointed date have been merged with the Company at their book values. The net impact of the merger on assets, liabilities and reserves as on the appointed date is as below:

<b>Particulars</b>	<b>₹ crores</b>
Share capital <sup>(1)</sup>	<b>16.39</b>
Securities Premium <sup>(1)</sup>	<b>70.13</b>
Capital Redemption reserve	<b>19.95</b>
General Reserve	<b>49.94</b>
Special Reserve	<b>97.75</b>
Surplus in the Statement of Profit and Loss	<b>150.78</b>
Trade Payables	<b>0.02</b>
Other Current Liabilities	<b>0.50</b>
Short term provisions	<b>0.22</b>
<b>Total Equity and Liabilities</b>	<b>405.68</b>
Tangible Assets	<b>0.29</b>
Non Current Investments	<b>369.81</b>
Long term Loans and Advances	<b>0.38</b>
Current Investments	<b>35.14</b>
Cash and Bank Balances	<b>0.06</b>
<b>Total Assets</b>	<b>405.68</b>

- (1) On amalgamation these have been eliminated against investments held by the Company in erstwhile Kalimati Investment Company Limited and the difference of ₹ 0.17 crore has been accounted for under Amalgamation Reserve.
- (2) The Company has also recognised ₹ 222.58 crores on account of MAT asset and ₹ 0.10 crore on account of Deferred tax liability which were not recognised in the books of erstwhile Kalimati Investment Company Limited.
- (3) Net profit/loss of Kalimati Investment Company Limited from the appointed date till 31st March, 2013 has been accounted for in the Surplus in the Statement of Profit and Loss in reserves.

(b) The figures for the previous year do not include figures for the erstwhile Kalimati Investment Company Limited and accordingly the current year's figures are not comparable to those of the previous year.

40. The Committee of Directors in their meeting held on 10th April, 2013 approved the scheme of amalgamation of Tata Metaliks Ltd. and Tata Metaliks Kubota Pipes Limited with an appointed date of 1st April, 2013. The Scheme is subject to the approval of the High Courts of Judicature at Bombay and Calcutta.

41. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2014 are as under:

Description	₹ crores	
		<i>Previous Year</i>
(i) The principal amount remaining unpaid to supplier as at the end of the year	<b>24.89</b>	16.51
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	<b>0.84</b>	0.55
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	<b>3.91</b>	1.34
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	<b>4.75</b>	1.89

#### 42. EMPLOYEE BENEFITS

(a) The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2014, an amount of ₹ 251.71 crores (2012-13: ₹ 231.09 crores) as expenses under the following defined contribution plans.

Benefit (Contribution to)	₹ crores	
		<i>Previous Year</i>
Provident Fund	<b>185.83</b>	165.70
Superannuation Fund	<b>26.80</b>	30.67
Employees Pension Scheme/Coal Mines Pension Scheme/ National Pension Scheme	<b>22.76</b>	19.55
TISCO Employees Pension Scheme	<b>16.32</b>	15.17
	<b>251.71</b>	231.09

The Company's Provident Fund is exempted under Section 17 of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

(b) The Company operates post retirement defined benefit plans as follows:

- (i) Funded
  - Post Retirement Gratuity
- (ii) Unfunded
  - Post Retirement Medical Benefits
  - Pensions to Directors
  - Farewell Gifts
  - Packing and Transportation Costs on Retirement

(c) Details of the post retirement gratuity plan are as follows:

	₹ crores	
Description		Previous Year
<b>(i) Reconciliation of opening and closing balances of obligation</b>		
Obligation as at beginning of the year	1,888.22	1,635.57
Current service cost	88.43	75.99
Interest cost	145.29	134.03
Actuarial (gain)/loss	25.49	160.27
Benefits paid	(144.27)	(117.64)
Obligation as at end of the year	<u>2,003.16</u>	<u>1,888.22</u>
<b>(ii) Reconciliation of opening and closing balances of plan assets</b>		
Fair value of plan assets as at beginning of the year	1,700.44	1,554.61
Expected return on plan assets	137.78	122.91
Actuarial gain/(loss)	7.24	59.57
Contributions	187.77	80.99
Benefits paid	(144.27)	(117.64)
Fair value of plan assets as at end of the year	<u>1,888.96</u>	<u>1,700.44</u>
<b>(iii) Reconciliation of fair value of assets and obligations</b>		
Fair value of plan assets as at end of the year	1,888.96	1,700.44
Present value of obligation as at end of the year	2,003.16	1,888.22
Net obligation/(asset) recognised in the balance sheet (included in the line item - Provision for employee benefits)	<u>114.20</u>	<u>187.78</u>
<b>(iv) Expenses recognised during the year</b>		
Current service cost	88.43	75.99
Interest cost	145.29	134.03
Expected return on plan assets	(137.78)	(122.91)
Actuarial (gain)/loss	18.25	100.70
Expense recognised during the year (included in the line item - Employee benefits expense)	<u>114.19</u>	<u>187.81</u>
	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>(v) Investment details</b>	%	%
GOI securities	10.65	12.39
Public sector unit bonds	9.31	11.14
Central/State Government guaranteed securities	6.47	5.49
Private sector unit bonds	8.91	8.56
Deposit with LIC	56.90	53.25
Others (including bank balances)	7.76	9.17
	<u>100.00</u>	<u>100.00</u>
<b>(vi) Assumptions</b>		
Discount rate (per annum)	9.25%	8.00%
Expected return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	7.50% to 10.00%	7.50% to 10.00%

The long-term estimate of the expected rate of return on the plan assets have been arrived at based on the asset allocation and prevailing yield rates on such assets. The major portions of the assets are invested in GOI Securities, PSU bonds and LIC. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.



**43. SEGMENT REPORTING**
**Primary Segment Information (Business Segment)**

₹ crores

Particulars	Steel	Ferro Alloys and Minerals	Others	Unallocable	Eliminations	Total
Segment revenue						
External revenue	<b>37,011.77</b> 33,704.82	<b>2,593.85</b> 2,544.11	<b>2,105.41</b> 1,950.50	– –	– –	<b>41,711.03</b> 38,199.43
Inter segment revenue	<b>1,676.58</b> 1,565.39	<b>327.81</b> 365.51	<b>104.17</b> 96.48	– –	<b>(2,108.56)</b> (2,027.38)	– –
Total revenue	<b>38,688.35</b> 35,270.21	<b>2,921.66</b> 2,909.62	<b>2,209.58</b> 2,046.98	– –	<b>(2,108.56)</b> (2,027.38)	<b>41,711.03</b> 38,199.43
Segment results before finance costs, exceptional items and tax	<b>10,724.95</b> 9,541.53	<b>800.74</b> 628.24	<b>43.25</b> 34.93	<b>106.90</b> 183.20	– –	<b>11,675.84</b> 10,387.90
Less: Finance costs						<b>1,820.58</b> 1,876.77
Profit before exceptional items and tax						<b>9,855.26</b> 8,511.13
Exceptional items						
(a) Provision for diminution in the value of investment/doubtful advances						<b>(141.76)</b> (686.86)
(b) Profit on sale of non-current investments						– 12.33
Profit before tax						<b>9,713.50</b> 7,836.60
Tax expense						<b>3,301.31</b> 2,773.63
Profit after tax						<b>6,412.19</b> 5,062.97
Segment assets	<b>52,207.15</b> 43,049.12	<b>656.88</b> 649.75	<b>364.63</b> 399.39	<b>3,033.08</b> 4,979.02	– –	<b>56,261.74</b> 49,077.28
Segment liabilities	<b>13,346.68</b> 11,312.34	<b>367.92</b> 389.61	<b>233.27</b> 197.71	<b>3,116.24</b> 2,443.29	– –	<b>17,064.11</b> 14,342.95
Capital expenditure	<b>11,125.48</b> 8,027.76	<b>52.11</b> 15.69	<b>2.08</b> 18.09	– –	– –	<b>11,179.67</b> 8,061.54
Segment depreciation	<b>1,879.01</b> 1,596.08	<b>27.76</b> 22.38	<b>21.93</b> 21.92	– –	– –	<b>1,928.70</b> 1,640.38
Non-cash expenditure other than depreciation	<b>76.24</b> 20.82	<b>0.43</b> (0.13)	<b>0.61</b> 0.01	– 5.43	– –	<b>77.28</b> 26.13

## Secondary Segment Information (Geographical Segment)

	₹ crores	
		<i>Previous Year</i>
Segment Revenue		
– Within India	39,659.87	35,806.75
– Outside India	2,051.16	2,392.68
	<u>41,711.03</u>	<u>38,199.43</u>
Capital Expenditure		
– Within India	11,179.67	8,061.54
– Outside India	–	–
	<u>11,179.67</u>	<u>8,061.54</u>
		<i>As at</i>
		<i>31.03.2013</i>
Segment Assets		
– Within India	56,261.74	49,077.28
– Outside India	–	–
	<u>56,261.74</u>	<u>49,077.28</u>

### Additional information:

- (1) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel and Ferro Alloys and Minerals business. Other business segments comprise Tubes and Bearings.
- (2) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (3) Unallocable Assets and Liabilities exclude:

	₹ crores	
		<i>As at</i>
		<i>31.03.2013</i>
<b>Assets:</b>		
Non-current investments	52,318.56	49,984.80
Current investments	2,343.24	434.00
Advance against equity	116.87	2,380.85
	<u>54,778.67</u>	<u>52,799.65</u>
<b>Liabilities:</b>		
Long-term borrowings	23,808.09	23,565.57
Short-term borrowings	43.69	70.94
Current maturities of long-term borrowings	4,065.48	3,871.28
Hybrid perpetual securities	2,275.00	2,275.00
Provision for employee separation compensation	597.07	697.77
Deferred tax liabilities (net)	2,038.98	1,843.74
	<u>32,828.31</u>	<u>32,324.30</u>

- (4) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.

**44. RELATED PARTY TRANSACTIONS**
**(a) List of Related Parties and Relationships**

Name of the Party	Country	Name of the Party	Country
<b>A. Subsidiaries:</b>		16. NatSteel Vina Co. Ltd.	Vietnam
i) <b>ABJA Investment Co. Pte. Ltd.*</b>	Singapore	17. PT Material Recycling Indonesia*	Indonesia
ii) <b>Adityapur Toll Bridge Company Limited</b>	India	18. The Siam Industrial Wire Company Ltd.	Thailand
iii) <b>Bangla Steel &amp; Mining Co. Ltd.</b>	Bangladesh	19. TSN Wires Co., Ltd.	Thailand
iv) <b>Gopalpur Special Economic Zone Limited</b>	India	<b>III. Tata Steel Europe Limited</b>	UK
v) <b>Indian Steel &amp; Wire Products Ltd.</b>	India	1. Almana Steel Dubai (Jersey) Limited	Jersey
vi) <b>Jamshedpur Continuous Annealing and Processing Company Private Limited</b>	India	2. Apollo Metals Ltd.	USA
vii) <b>Jamshedpur Utilities &amp; Services Company Limited</b>	India	3. Ashorne Hill Management College	UK
1. Haldia Water Management Limited	India	4. Augusta Grundstucks GmbH	Germany
2. Naba Diganta Water Management Limited	India	5. Automotive Laser Technologies Limited	UK
3. SEZ Adityapur Limited	India	6. B S Pension Fund Trustee Ltd.	UK
viii) <b>Kalimati Investment Company Limited <sup>▲</sup></b>	India	7. Bailey Steels Limited*	UK
ix) <b>Lanka Special Steels Ltd.</b>	Sri Lanka	8. Beheermaatschappij Industriële Produkten B.V.	Netherlands
x) <b>NatSteel Asia Pte. Ltd.</b>	Singapore	9. Belfin Beheermaatschappij B.V.	Netherlands
1. Tata Steel Asia (Hong Kong) Ltd.	Hong Kong SAR	10. Bell & Harwood Limited	UK
2. Tata Steel Resources Australia Pty. Ltd.	Australia	11. Blastmega Limited	UK
xi) <b>T M Mining Company Limited</b>	India	12. Blume Stahlservice GmbH	Germany
xii) <b>T S Alloys Limited</b>	India	13. Blume Stahlservice Polska Sp.Z.O.O	Poland
xiii) <b>Tata Incorporated</b>	USA	14. Bore Samson Group Ltd	UK
xiv) <b>Tata Korf Engineering Services Ltd.</b>	India	15. Bore Steel Ltd.	UK
xv) <b>Tata Metaliks Ltd.</b>	India	16. British Guide Rails Ltd.	UK
1. Tata Metaliks Di Pipes Limited	India	17. British Steel Corporation Ltd	UK
xvi) <b>Tata Sponge Iron Limited</b>	India	18. British Steel De Mexico S.A. de C.V.	Mexico
1. TSIL Energy Limited	India	19. British Steel Directors (Nominees) Limited	UK
xvii) <b>Tata Steel (KZN) (Pty) Ltd.</b>	South Africa	20. British Steel Employee Share Ownership Trustees Ltd.	UK
xviii) <b>Tata Steel Holdings Pte. Ltd.</b>	Singapore	21. British Steel Engineering Steels (Exports) Limited	UK
1. <b>Tata Steel Global Holdings Pte Ltd.</b>	Singapore	22. British Steel Nederland International B.V.	Netherlands
I. <b>Orchid Netherlands (No.1) B.V.</b>	Netherlands	23. British Steel Samson Limited	UK
II. <b>NatSteel Holdings Pte. Ltd.</b>	Singapore	24. British Steel Service Centres Ltd.	UK
1. Best Bar Pty. Ltd.	Australia	25. British Steel Tubes Exports Ltd.*	UK
2. Bestbar (Vic) Pty. Ltd.	Australia	26. British Tubes Stockholding Ltd.	UK
3. Burwill Trading Pte. Ltd.	Singapore	27. Bs Quest Trustee Limited	UK
4. Easteel Construction Services Pte. Ltd.	Singapore	28. Burgdorfer Grundstuecks GmbH	Germany
5. Easteel Services (M) Sdn. Bhd.	Malaysia	29. C V Benine	Netherlands
6. Eastern Steel Fabricators Phillipines, Inc.	Philippines	30. C Walker & Sons Ltd.	UK
7. Eastern Steel Services Pte. Ltd.	Singapore	31. Catnic GmbH	Germany
8. Eastern Wire Pte. Ltd.	Singapore	32. Catnic Limited	UK
9. NatSteel (Xiamen) Ltd.	China	33. Cbs Investissements SAS	France
10. NatSteel Asia (S) Pte. Ltd.	Singapore	34. Cladding & Decking (UK) Limited	UK
11. NatSteel Australia Pty. Ltd.	Australia	35. Cogent Power Inc.	Canada
12. NatSteel Equity IV Pte. Ltd.	Singapore	36. Cogent Power SA DE CV	Mexico
13. NatSteel Recycling Pte Ltd.	Singapore	37. Cogent Power Inc.	USA
14. NatSteel Trade International (Shanghai) Company Ltd.	China	38. Cogent Power Limited	UK
15. NatSteel Trade International Pte. Ltd.	Singapore	39. Color Steels Limited	UK

Name of the Party	Country	Name of the Party	Country
40. Corbeil Les Rives SCI	France	84. Dsrn Group Plc.	UK
41. Corby (Northants) & District Water Co.	UK	85. Eric Olsson & Soner Forvaltnings AB	Sweden
42. Cordor (C& B) Limited	UK	86. Esmil B.V.	Netherlands
43. Corus Aluminium Verwaltungsgesellschaft Mbh	Germany	87. Euro-Laminations Limited*	UK
44. Corus Beteiligungs GmbH	Germany	88. Europressings Limited	UK
45. Corus Building Systems Bulgaria AD	Bulgaria	89. Firsteel Group Limited	UK
46. Corus Building Systems N.V.	Belgium	90. Firsteel Holdings Limited	UK
47. Corus Building Systems SAS	France	91. Firsteel Strip Mill Products Limited	UK
48. Corus CNBV Investments	UK	92. Fischer Profil GmbH	Germany
49. Corus Coatings Usa Inc.	USA	93. Gamble Simms Metals Ltd.	Ireland
50. Corus Cold drawn Tubes Limited	UK	94. Grant Lyon Eagre Ltd.	UK
51. Corus Engineering Steels (UK) Limited	UK	95. H E Samson Ltd.	UK
52. Corus Engineering Steels Holdings Limited	UK	96. Hadfields Holdings Ltd.	UK
53. Corus Engineering Steels Limited	UK	97. Hammermega Limited	UK
54. Corus Engineering Steels Overseas Holdings Limited	UK	98. Harrowmills Properties Ltd.	UK
55. Corus Engineering Steels Pension Scheme Trustee Limited	UK	99. Hille & Muller GmbH	Germany
56. Corus Group Limited	UK	100. Hille & Muller Usa Inc.	USA
57. Corus Holdings Ltd.	UK	101. Hoogovens (UK) Limited	UK
58. Corus International (Overseas Holdings) Limited	UK	102. Hoogovens Aluminium UK Limited	UK
59. Corus International Limited	UK	103. Hoogovens Finance B.V.	Netherlands
60. Corus International Romania SRL.	Romania	104. Hoogovens Usa Inc.	USA
61. Corus Investments Ltd.	UK	105. Huizenbezit "Breesaap" B.V.	Netherlands
62. Corus Ireland Ltd.	Ireland	106. Ickles Cottage Trust	UK
63. Corus Large Diameter Pipes Limited	UK	107. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France
64. Corus Liaison Services (India) Limited	UK	108. Inter Metal Distribution SAS	France
65. Corus Management Limited	UK	109. Kalzip Asia Pte Limited	Singapore
66. Corus Packaging Plus Norway AS	Norway	110. Kalzip FZE	UAE
67. Cogent Power Electrical Steels Limited*	UK	111. Kalzip GmbH	Germany
68. Corus Primary Aluminium B.V.	Netherlands	112. Kalzip GmbH	Austria
69. Corus Properties (Germany) Limited	UK	113. Kalzip Guangzhou Limited	China
70. Corus Property	UK	114. Kalzip Inc	USA
71. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland	115. Kalzip India Private Limited	India
72. Corus Service Center Milano Spa*	Italy	116. Kalzip Italy SRL	Italy
73. Corus Service Centre Limited	N Ireland	117. Kalzip Limited	UK
74. Corus Sheet & Tube Inc.	USA	118. Kalzip Spain S.L.U.	Spain
75. Corus Steel Service STP LLC	Russia	119. Layde Steel S.L.	Spain
76. Corus Trico Holdings Inc.	USA	120. Lister Tubes Ltd.	Ireland
77. Corus Tubes Poland Spolka Z.O.O	Poland	121. London Works Steel Company Ltd.	UK
78. Corus UK Healthcare Trustee Limited	UK	122. Midland Steel Supplies Ltd.	UK
79. Corus Ukraine LLC	Ukraine	123. Mistbury Investments Limited	UK
80. Cpn (85) Limited	UK	124. Montana Bausysteme AG	Switzerland
81. Crucible Insurance Company Ltd.	I of Man	125. Myriad Deutschland GmbH	Germany
82. Degels GmbH	Germany	126. Myriad Espana SI	Spain
83. Demka B.V.	Netherlands	127. Myriad Nederland B.V.	Netherlands
		128. Namascor B.V.	Netherlands
		129. Nationwide Steelstock Limited	UK
		130. Oostflank B.V.*	Netherlands
		131. Orb Electrical Steels Limited	UK

Name of the Party	Country	Name of the Party	Country
132. Ore Carriers Ltd.	UK	176. Tata Steel International (Australasia) Limited	New Zealand
133. Oremco Inc.	USA	177. Tata Steel International (Benelux) BV	Netherlands
134. Plated Strip International Limited	UK	178. Tata Steel International (Canada) Holdings Inc	Canada
135. Precoat International Limited	UK	179. Tata Steel International (Czech Republic) S.R.O	Czech Republic
136. Precoat Limited	UK	180. Tata Steel International (Denmark) A/S	Denmark
137. Rafferty-Brown Steel Co Inc Of Conn.	USA	181. Tata Steel International (Finland) OY	Finland
138. Richard Thomas And Baldwins 1978. Limited*	New Zealand	182. Tata Steel International (France) SAS	France
139. Round Oak Steelworks Ltd.	UK	183. Tata Steel International (Germany) GmbH	Germany
140. Runblast Limited	UK	184. Tata Steel International (South America) Representações LTDA	Brazil
141. Runmega Limited	UK	185. Tata Steel International Hellas SA	Greece
142. S A B Profiel B.V.	Netherlands	186. Tata Steel International (Italia) SRL	Italy
143. S A B Profil GmbH	Germany	187. Tata Steel International (Middle East) FZE	UAE
144. Scrap Processing Holding B.V.	Netherlands	188. Tata Steel International (Nigeria) Ltd.	Nigeria
145. Seamless Tubes Ltd.	UK	189. Tata Steel International (Poland) sp Zoo	Poland
146. Service Center Gelsenkirchen GmbH	Germany	190. Tata Steel International (Schweiz) AG	Switzerland
147. Service Centre Maastricht B.V.	Netherlands	191. Tata Steel International (Sweden) AB	Sweden
148. SIA Corus Building Systems	Latvia	192. Tata Steel International (India) Limited	India
149. Simiop Investments Ltd.*	UK	193. Tata Steel International Iberica SA	Spain
150. Simiop Ltd.*	UK	194. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
151. Skruv Erik AB	Sweden	195. Tata Steel Logistics and Shipping BV	Netherlands
152. Societe Europeenne De Galvanisation (Segal) Sa	Belgium	196. Tata Steel Maubeuge SAS	France
153. Staalverwerking En Handel B.V.	Netherlands	197. Tata Steel Nederland BV	Netherlands
154. Stainless Velsen-Noord BV	Netherlands	198. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
155. Steel StockHoldings Ltd.	UK	199. Tata Steel Nederland Investment BV	Netherlands
156. Steelstock Ltd.	UK	200. Tata Steel Nederland Perfo BV	Netherlands
157. Stewarts & Lloyds Of Ireland Ltd.	Ireland	201. Tata Steel Nederland Services BV	Netherlands
158. Stewarts And Lloyds (Overseas) Ltd.	UK	202. Tata Steel Nederland Star-Frame BV	Netherlands
159. Stocksbridge Works Cottage Trust Limited	UK	203. Tata Steel Nederland Technology BV	Netherlands
160. Stuwadoorsbedrijf Velserkom B.V.*	Netherlands	204. Tata Steel Nederland Tubes BV	Netherlands
161. Surahammar Bruks AB	Sweden	205. Tata Steel Netherlands Holdings B.V.	Netherlands
162. Swinden Housing Association	UK	206. Tata Steel Norway Byggsystemer A/S	Norway
163. Tata Steel Belgium Packaging Steels N.V.	Belgium	207. Tata Steel Speciality Service Centre Suzhou Co. Ltd	China
164. Tata Steel Belgium Services N.V.	Belgium	208. Tata Steel Sweden Byggsystem AB	Sweden
165. Tata Steel Denmark Byggsystemer A/S	Denmark	209. Tata Steel Speciality Service Centre Xian Co. Ltd	China
166. Tata Steel Europe Distribution BV	Netherlands	210. Tata Steel UK Consulting Limited	UK
167. Tata Steel Europe Metals Trading BV	Netherlands	211. Tata Steel UK Holdings Limited	UK
168. Tata Steel France Batiment et Systemes SAS	France	212. Tata Steel UK Limited	UK
169. Tata Steel France Holdings SAS	France	213. Tata Steel UK Rail Consultancy Limited	UK
170. Tata Steel France Rail SA	France	214. Tata Steel Usa Inc.	USA
171. Tata Steel Germany GmbH	Germany	215. The Newport And South Wales Tube Company Ltd.	UK
172. Tata Steel Hungary LLC*	Hungary	216. The Stanton Housing Company Ltd.	UK
173. Tata Steel Ijmuiden BV	Netherlands		
174. Tata Steel International (Americas) Holdings Inc	USA		
175. Tata Steel International (Americas) Inc	USA		

Name of the Party	Country	Name of the Party	Country
217. The Steel Company Of Ireland Limited	Ireland	3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand
218. The Templeborough Rolling Mills Ltd.	UK	<b>VII. Tata Steel Global Procurement Company Pte. Ltd.</b>	Singapore
219. Thomas Processing Company	USA	1. ProCo Issuer Pte. Ltd.	Singapore
220. Thomas Steel Strip Corp.	USA	xix) <b>Tata Steel Odisha Limited</b>	India
221. Tinsley Trailers Limited*	UK	xx) <b>Tata Steel Processing and Distribution Limited</b>	India
222. Toronto Industrial Fabrications Ltd.	UK	xxi) <b>Tayo Rolls Limited</b>	India
223. Trierer Walzwerk GmbH	Germany	xxii) <b>TM International Logistics Limited</b>	India
224. Tulip UK Holdings (No.2) Ltd.	UK	1. International Shipping and Logistics FZE	UAE
225. Tulip UK Holdings (No.3) Ltd.	UK	2. TKM Global China Ltd	China
226. Tuscaloosa Steel Corporation	USA	3. TKM Global GmbH	Germany
227. U.E.S. Bright Bar Limited	UK	4. TKM Global Logistics Limited	India
228. UK Steel Enterprise Ltd.	UK	5. TM Harbour Services Private Limited	India
229. Ukse Fund Managers (General Partner) Limited	UK	xxiii) <b>The Tata Pigments Limited</b>	India
230. Ukse Fund Managers Limited	UK	xxiv) <b>The Tinplate Company of India Limited</b>	India
231. Unitol SAS	France	<b>B. Joint Ventures of:</b>	
232. Walker Manufacturing And Investments Ltd.	UK	i) <b>Tata Steel Limited</b>	
233. Walkersteelstock Ireland Limited	Ireland	1. Bhubaneshwar Power Private Limited	India
234. Walkersteelstock Ltd.	UK	2. Himalaya Steel Mills Services Pvt. Ltd.	India
235. Westwood Steel Services Ltd.	UK	3. mjunction services ltd.	India
236. Whitehead (Narrow Strip) Ltd.	UK	4. S & T Mining Company Private Limited	India
<b>IV. Tata Steel Global Minerals Holdings Pte Ltd.</b>	Singapore	5. Tata BlueScope Steel Ltd.	India
1. Al Rimal Mining LLC	Oman	6. Tata NYK Shipping Pte Ltd.	Singapore
2. Black Ginger 461 (Proprietary) Ltd	South Africa	7. The Dhamra Port Company Limited	India
3. Howse Minerals Ltd. *	Canada	ii) <b>Tata Steel Holdings Pte. Ltd.</b>	
4. Kalimati Coal Company Pty. Ltd.	Australia	a) <b>Tata Steel Global Holdings Pte Ltd.</b>	
5. Sedibeng Iron Ore Pty. Ltd.	South Africa	i. <b>Tata Steel Europe Limited</b>	
6. Tata Steel Cote D' Ivoire S.A	Ivory Coast	1. Afon Tinplate Company Limited	UK
7. Tata Steel Minerals UK Limited	UK	2. Air Products Llanwern Limited	UK
8. Tata Steel Minerals Canada Limited	Canada	3. Bsr Pipeline Services Limited	UK
9. T S Canada Capital Ltd	Canada	4. Caparo Merchant Bar Plc	UK
<b>V. Tata Steel International (Singapore) Holdings Pte. Ltd.</b>	Singapore	5. Corus Kalpinis Simos Cladding Industry SA	Greece
1. TSIA Holdings (Thailand) Limited	Thailand	6. Danieli Corus Technical Services B.V.	Netherlands
2. Tata Steel International (Shanghai) Ltd.	China	7. Fabsec Limited	UK
3. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia	8. Industrial Rail Services Ijmond B.V.	Netherlands
4. Tata Steel International (Thailand) Limited	Thailand	9. Laura Metaal Holding B.V.	Netherlands
5. Tata Steel International (Singapore) Pte. Ltd.	Singapore	10. Norsk Stal AS	Norway
6. Tata Steel International (Asia) Limited	Hong Kong SAR	11. Norsk Stal Tynnplater AS	Norway
<b>VI. Tata Steel (Thailand) Public Company Ltd.</b>	Thailand	12. Ravenscraig Limited	UK
1. N.T.S Steel Group Plc.	Thailand	13. Redcar Bulk Terminal Limited	UK
2. The Siam Construction Steel Co. Ltd.	Thailand	14. Tata Elastron Steel Service Center SA	Greece
		15. Tata Steel Ticaret AS	Turkey
		16. Texturing Technology Limited	UK
		<b>II. Tata Steel Global Minerals Holdings Pte. Ltd.</b>	
		1. Rio Tinto Benga (Mauritius) Limited	Mauritius

Name of the Party		Country	Name of the Party		Country
<b>C. Associate of:</b>			9.	Danieli Corus Construction Services B.V.	Netherlands
<b>i) NatSteel Asia Pte. Ltd.</b>			10.	Danieli Corus Construction Services Usa Inc.*	USA
	1. SteelAsia Development and Management Corp.*	Philippines	11.	Danieli Corus Do Brasil Ltda.*	Brazil
	2. SteelAsia Industries Inc.*	Philippines	12.	Danieli Corus Inc.*	USA
	3. SteelAsia Manufacturing Corporation*	Philippines	13.	Danieli Corus Services Usa Inc.*	USA
<b>ii) Tata Incorporated</b>			14.	Danieli Corus India Private Limited	India
	1. TKM Overseas Ltd.*	UK	15.	European Profiles (Marketing) Sdn. Bhd.	Malaysia
<b>iii) Tata Steel Limited</b>			16.	Galvpro LP.	USA
	1. Industrial Energy Ltd.	India	17.	Gietwalsonderhoudcombinatie B.V.	Netherlands
	2. Jamipol Ltd.	India	18.	Hoogovens Court Roll Service Technologies Vof:	Netherlands
	3. Kalinga Aquatics Ltd.	India	19.	Hoogovens Gan Multimedia S.A. De C.V.	Mexico
	4. Kumardhubi Fireclay & Silica Works Ltd.	India	20.	Isolation Du Sud SA	France
	5. Kumardhubi Metal Casting & Engineering Ltd.	India	21.	Issb Limited	UK
	6. Nicco Jubilee Park Limited	India	22.	MDC Sublance Probe Technology	Shanghai
	7. Rujuvalika Investments Ltd.	India	23.	Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
	8. Strategic Energy Technology Systems Private Limited	India	24.	Schreiner Fleischer AS*	Norway
	9. Tata Construction & Projects Ltd.	India	25.	Thoresen & Thorvaldsen AS*	Norway
	10. TRL Krosaki Refractories Ltd.	India	26.	Trico LLC	USA
	11. TRF Ltd.	India	27.	Weirton/Hoogovens GP	USA
<b>iv) Tata Steel Holdings Pte. Ltd.</b>			28.	Wupperman Staal Nederland B.V.	Netherlands
<b>a) Tata Steel Global Holdings Pte Ltd.</b>			<b>III. Tata Steel Global Minerals Holdings Pte Ltd.</b>		
<b>I. Tata Steel International (Singapore) Holdings Pte. Ltd.</b>			1.	New Millennium Iron Corp.	Canada
	1. European Profiles (M) Sdn. Bhd.	Malaysia	<b>v) Indian Steel &amp; Wire Products Ltd.</b>		
<b>II. Tata Steel Europe Limited</b>			1.	Metal Corporation of India	India
	1. Ab Norskstal AS	Norway	<b>D. Promoters holding together with its subsidiary is more than 20%</b>		
	2. Albi Profils SRL	France	Tata Sons Limited		
	3. Appleby Frodingham Cottage Trust Limited	UK	<b>E. Key Management Personnel</b>		
	4. Combulex B.V.*	Netherlands	Mr. H. M. Nerurkar* – Managing Director		
	5. Cv Gasexpansie Ijmond	Netherlands	Mr. Koushik Chatterjee – Group Executive Director (Finance & Corporate)		
	6. Danieli Corus Canada Inc.*	Canada	Mr. T. V. Narendran* – Managing Director		
	7. Danieli Corus Asia B.V.	Netherlands			
	8. Danieli Corus Braseq Ltda.*	Brazil			

\* Part of the year

▲ Amalgamated with Tata Steel Limited

**(b) Related Party Transactions**
**₹ crores**

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
<b>Purchase of Goods</b>						
Tata Steel Global Procurement Company Pte. Ltd.	4,937.99	–	–	–	–	4,937.99
	3,608.05	–	–	–	–	3,608.05
Others	105.23	516.56	–	–	–	621.79
	306.03	443.16	–	–	–	749.19
	<b>5,043.22</b>	<b>516.56</b>	–	–	–	<b>5,559.78</b>
	3,914.08	443.16	–	–	–	4,357.24
<b>Sale of Goods</b>						
Tata Steel Asia (Hong Kong) Ltd.	890.87	–	–	–	–	890.87
	1,072.01	–	–	–	–	1,072.01
Tata Steel Processing And Distribution Limited	1,453.49	–	–	–	–	1,453.49
	1,247.28	–	–	–	–	1,247.28
The Tinplate Company of India Limited	439.88	–	–	–	–	439.88
	335.45	–	–	–	–	335.45
Tata BlueScope Steel Ltd.	–	704.53	–	–	–	704.53
	–	513.71	–	–	–	513.71
Others	544.03	222.30	–	–	–	766.33
	456.31	425.80	–	–	–	882.11
	<b>3,328.27</b>	<b>926.83</b>	–	–	–	<b>4,255.10</b>
	3,111.05	939.51	–	–	–	4,050.56
<b>Receiving of Services</b>						
Jamshedpur Utilities & Services Company Limited	354.16	–	–	–	–	354.16
	336.37	–	–	–	–	336.37
The Tinplate Company of India Limited	608.24	–	–	–	–	608.24
	531.81	–	–	–	–	531.81
Industrial Energy Ltd.	–	480.14	–	–	–	480.14
	–	512.52	–	–	–	512.52
Others	675.91	221.62	–	–	0.97	898.50
	575.66	147.97	–	–	1.11	724.74
	<b>1,638.31</b>	<b>701.76</b>	–	–	<b>0.97</b>	<b>2,341.04</b>
	1,443.84	660.49	–	–	1.11	2,105.44
<b>Rendering of Services</b>						
Jamshedpur Utilities & Services Company Limited	68.87	–	–	–	–	68.87
	61.32	–	–	–	–	61.32
The Tinplate Company of India Limited	60.64	–	–	–	–	60.64
	58.05	–	–	–	–	58.05
Indian Steel & Wire Products Ltd.	24.98	–	–	–	–	24.98
	21.99	–	–	–	–	21.99
Jamshedpur Continuous Annealing and Processing Company Private Limited	29.81	–	–	–	–	29.81
	17.46	–	–	–	–	17.46
Others	27.05	22.00	–	–	0.05	49.10
	27.46	26.30	–	–	0.09	53.85
	<b>211.35</b>	<b>22.00</b>	–	–	<b>0.05</b>	<b>233.40</b>
	186.28	26.30	–	–	0.09	212.67
<b>Purchase of Fixed Assets</b>						
TRF Ltd.	–	–	–	–	–	–
	–	2.06	–	–	–	2.06
	–	–	–	–	–	–
	–	2.06	–	–	–	2.06
<b>Sale of Fixed Assets</b>						
The Tinplate Company of India Limited	–	–	–	–	–	–
	0.36	–	–	–	–	0.36
	–	–	–	–	–	–
	0.36	–	–	–	–	0.36

₹ crores

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
<b>Dividend Paid</b>						
Tata Sons Limited	–	–	–	–	<b>231.12</b>	<b>231.12</b>
	–	–	–	–	<i>346.68</i>	<i>346.68</i>
Others	–	<b>0.93</b>	*	***	–	<b>0.93</b>
	–	<i>1.40</i>	**	–	–	<i>1.40</i>
	–	<b>0.93</b>	*	***	<b>231.12</b>	<b>232.05</b>
	–	<i>1.40</i>	**	–	<i>346.68</i>	<i>348.08</i>
<b>Dividend Income</b>						
NatSteel Asia Pte. Ltd.	<b>327.80</b>	–	–	–	–	<b>327.80</b>
	–	–	–	–	–	–
mjunction services ltd.	–	<b>48.00</b>	–	–	–	<b>48.00</b>
	–	–	–	–	–	–
Others	<b>25.18</b>	<b>21.36</b>	–	–	<b>9.90</b>	<b>56.44</b>
	<i>628.84</i>	<i>12.51</i>	–	–	–	<i>641.35</i>
	<b>352.98</b>	<b>69.36</b>	–	–	<b>9.90</b>	<b>432.24</b>
	<i>628.84</i>	<i>12.51</i>	–	–	–	<i>641.35</i>
<b>Interest Income</b>						
The Dhamra Port Company Limited	–	<b>41.00</b>	–	–	–	<b>41.00</b>
	–	<i>41.62</i>	–	–	–	<i>41.62</i>
Industrial Energy Ltd.	–	<b>12.06</b>	–	–	–	<b>12.06</b>
	–	–	–	–	–	–
Tata Steel (KZN) (Pty) Ltd.	<b>25.03</b>	–	–	–	–	<b>25.03</b>
	<i>25.17</i>	–	–	–	–	<i>25.17</i>
Others	<b>4.07</b>	<b>0.54</b>	–	–	–	<b>4.61</b>
	<i>5.00</i>	<i>2.91</i>	–	–	–	<i>7.91</i>
	<b>29.10</b>	<b>53.60</b>	–	–	–	<b>82.70</b>
	<i>30.17</i>	<i>44.53</i>	–	–	–	<i>74.70</i>
<b>Management contracts</b>						
Tata Sons Limited	–	–	–	–	<b>75.00</b>	<b>75.00</b>
	–	–	–	–	<i>50.00</i>	<i>50.00</i>
	–	–	–	–	<b>75.00</b>	<b>75.00</b>
	–	–	–	–	<i>50.00</i>	<i>50.00</i>
<b>Finance Provided</b>						
Tayo Rolls Limited	<b>120.00</b>	–	–	–	–	<b>120.00</b>
	<i>1.00</i>	–	–	–	–	<i>1.00</i>
Tata NYK Shipping Pte Ltd.	–	<b>124.74</b>	–	–	–	<b>124.74</b>
	–	–	–	–	–	–
Industrial Energy Ltd.	–	<b>96.00</b>	–	–	–	<b>96.00</b>
	–	<i>43.20</i>	–	–	–	<i>43.20</i>
Others	<b>9.66</b>	<b>1.55</b>	–	–	–	<b>11.21</b>
	<i>2,217.83</i>	<i>134.12</i>	–	–	–	<i>2,351.95</i>
	<b>129.66</b>	<b>222.29</b>	–	–	–	<b>351.95</b>
	<i>2,218.83</i>	<i>177.32</i>	–	–	–	<i>2,396.15</i>
<b>Purchase of investments</b>						
TRF Ltd.	–	<b>32.06</b>	–	–	–	<b>32.06</b>
	–	–	–	–	–	–
	–	<b>32.06</b>	–	–	–	<b>32.06</b>
	–	–	–	–	–	–
<b>Remuneration</b>						
Mr. H.M. Nerurkar	–	–	<b>3.79</b>	–	–	<b>3.79</b>
	–	–	<i>5.73</i>	–	–	<i>5.73</i>
Mr. Koushik Chatterjee	–	–	<b>5.06</b>	–	–	<b>5.06</b>
	–	–	<i>3.44</i>	–	–	<i>3.44</i>
Mr. T. V. Narendran	–	–	<b>4.83</b>	–	–	<b>4.83</b>
	–	–	–	–	–	–
	–	–	<b>13.68</b>	–	–	<b>13.68</b>
	–	–	<i>9.17</i>	–	–	<i>9.17</i>

₹ crores

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
<b>Provision for receivables made during the year</b>						
Tata Steel (KZN) (Pty) Ltd.	56.69 610.63	–	–	–	–	56.69 610.63
Gopalpur Special Economic Zone Limited	19.52 4.40	–	–	–	–	19.52 4.40
	76.21 615.03	–	–	–	–	76.21 615.03
<b>Guarantees and collaterals given</b>						
ABJA Investment Co. Pte. Ltd.	1,786.28	–	–	–	–	1,786.28
Others	– 167.55	–	–	–	–	– 167.55
	1,786.28 167.55	–	–	–	–	1,786.28 167.55
<b>Guarantees outstanding</b>						
ABJA Investment Co. Pte. Ltd.	1,786.28	–	–	–	–	1,786.28
Others	177.18 335.83	179.70 162.86	–	–	–	356.88 498.69
	1,963.46 335.83	179.70 162.86	–	–	–	2,143.16 498.69
<b>Outstanding Receivables</b>						
Tata Steel (KZN) (Pty) Ltd.	667.32 610.63	–	–	–	–	667.32 610.63
The Dhamra Port Company Limited	–	476.58 439.68	–	–	–	476.58 439.68
Others	326.56 3,056.15	311.02 125.72	–	–	1.25 1.25	638.83 3,183.12
	993.88 3,666.78	787.60 565.40	–	–	1.25 1.25	1,782.73 4,233.43
<b>Provision for outstanding receivables</b>						
Tata Steel (KZN) (Pty) Ltd.	667.32 610.63	–	–	–	–	667.32 610.63
Others	23.92 4.40	–	–	–	–	23.92 4.40
	691.24 615.03	–	–	–	–	691.24 615.03
<b>Outstanding Payables</b>						
Tata Steel Global Procurement Company Pte. Ltd.	3,081.58 2,016.60	–	–	–	–	3,081.58 2,016.60
Others	277.91 302.14	196.53 138.15	–	–	73.23 50.31	547.67 490.60
	3,359.49 2,318.74	196.53 138.15	–	–	73.23 50.31	3,629.25 2,507.20
<b>Bad Debts Recovered</b>						
Indian Steel & Wire Products Ltd.	– 1.76	–	–	–	–	– 1.76
	– 1.76	–	–	–	–	– 1.76

# Transaction with Joint Ventures have been disclosed at full value

\* ₹ 16,456.00  
\*\* ₹ 8,844.00  
\*\*\* ₹ 448.00

45. The Company has the following Joint Ventures as on 31st March, 2014 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Ventures is given below:

Name of the Joint Ventures	Country of Incorporation	Percentage of Holding	As at 31.03.2014				2013-14	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services ltd.	India	50%	118.24 163.49	47.31 63.73	– –	3.55 0.08	68.24 64.37	42.26 37.08
The Dhamra Port Company Limited	India	50%	1,809.76 1,789.86	1,953.29 1,866.47	2.82 1.52	2.14 8.55	385.95 252.27	452.86 422.25
Tata BlueScope Steel Ltd.	India	50%	821.91 908.10	656.90 687.76	29.74 31.52	0.34 1.99	684.05 523.95	739.38 615.97
Tata NYK Shipping Pte Ltd.	Singapore	50%	741.79 659.15	730.87 630.60	– –	90.85 –	794.91 544.81	948.46 607.36
Bhubaneshwar Power Private Limited	India	14%	61.31 21.99	48.40 10.51	0.39 0.39	53.05 54.22	2.08 0.11	2.17 0.08
S & T Mining Company Private Limited	India	50%	3.76 5.12	1.18 1.68	– –	0.63 0.07	1.38 0.33	3.19 1.98
Himalaya Steel Mills Services Pvt. Ltd.	India	26%	7.48 8.57	4.66 5.12	– –	– –	3.85 3.14	4.77 3.44

#### 46. DERIVATIVE INSTRUMENTS

- (a) The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per Accounting Policies stated in Note 1 annexed to Balance Sheet and Statement of Profit and Loss.

- (i) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding short-term forward exchange contracts and option contracts entered into by the Company on account of payables including forecast payables:

		As at 31.03.2013
No. of contracts	172	90
US Dollar equivalent (million)	794.28	746.79
INR equivalent (crores)	4,757.74	4,053.95

Outstanding short-term forward exchange contracts and option contracts entered into by the Company on account of receivables including forecast receivables:

		As at 31.03.2013
No. of contracts	9	21
US Dollar equivalent (million)	11.21	75.49
INR equivalent (crores)	67.14	409.72

Outstanding long-term forward exchange contracts entered into by the Company:

		As at 31.03.2013
No. of contracts	11 16*	28 16*
US Dollar equivalent (million)	404.59	734.31
INR equivalent (crores)	2,423.51	3,986.21

\* Represents outstanding long-term forward exchange contracts used to hedge currency risk of Euro and GBP against USD. The corresponding USD exposure has been disclosed under unhedged loans payable.

(Long-term forward exchange contracts outstanding as on 31st March, 2014 have been used to hedge the foreign currency risk on repayment of External Commercial Borrowings and Export Credit Agency Borrowings of the Company).

- (ii) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. Such transactions are governed by the strategy approved by the Board of Directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Outstanding Interest Rate Swaps to hedge against fluctuations in interest rate changes:

		As at 31.03.2013
No. of contracts	8*	8*
US Dollar equivalent (million)	335.00	335.00
INR equivalent (crores)	2,006.65	1,818.55

(\* The above interest rate swap is part of full currency swap and the number of contract is also reflected in the outstanding long-term forward exchange contract as part of hedging the exchange risk).

- (b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	US Dollar equivalent (million)	INR equivalent (₹ crores)	As at 31.03.2013	
			US Dollar equivalent (million)	INR equivalent (₹ crores)
Amounts receivable in foreign currency on account of the following:				
(i) Loans receivable	88.02	527.14	91.35	495.78
(ii) Interest receivable	23.40	140.17	21.16	114.84
(iii) Debtors outstanding	18.19	108.93	22.81	123.78
Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	143.10	857.18	72.45	393.31
(ii) Capital imports	47.71	285.78	78.72	427.32
(iii) Interest and commitment charges payable	21.47	128.60	20.70	112.39
(iv) Loans payable	1,158.31	6,938.29	1,045.52	5,675.59

47. The Board recommended dividend of ₹ 10 per Ordinary Share (2012-13: ₹ 8 per Ordinary Share) of ₹ 10 each for the year ended 31st March, 2014. The dividend is subject to the approvals of the shareholders at the Annual General Meeting. The total dividend payout (including tax on dividend) works out to ₹ 1,037.40 crores (2012-13: ₹ 905.70 crores) for the Company.

48. Previous year's figures have been recast/restated where necessary.

49. Figures in italics are in respect of the previous year.

For and on behalf of the Board

CYRUS P MISTRY

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA

ISHAAT HUSSAIN

SUBODH BHARGAVA

JACOBUS SCHRAVEN

ANDREW ROBB

MALLIKA SRINIVASAN

D K MEHROTRA

O P BHATT

KARL-ULRICH KOEHLER

KOUSHIK CHATTERJEE

Directors

Group Executive Director  
(Finance & Corporate)

Managing Director

T V NARENDRAN

A ANJENEYAN  
Company Secretary